Daily Report

Latin America

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OAS Applauds U.S. Decision To 'Regularize' Migration

FL0305021395 Bridgetown CANA in English 2300 GMT 2 May 95

[FBIS Transcribed Text] Washington D.C, May 2, CANA—Secretary General of the Organization of American States, Cesar Gaviria, Tuesday applauded the U.S. announcement of steps to further regularise U.S.-Cuban migration relations. Gaviria said: "We applaud the joint decision of the United States and Cuba for taking these latest steps in advancing the normalizatien of their migration relationship." He added: "No doubt, this will help to resolve a persistent and difficult humanitarian problem. This second agreement is fresh evidence that the process started last summer is very much alive and yielding tangible benefits for the people of both countries."

Commenting on the meaning of the joint statement, Gaviria pointed out that, "Today's developments illustrate that the use of diplomatic means can result in substantial progress in removing the obstacles that impede the reintegration of Cuba into this hemisphere's family of democratic nations." Gaviria also added that, "All of the Americas hope that Cuba will move forward in opening its political system and integrating its economy into the global marketplace with greater liberlization and freedom."

Months after vowing never to reward Cubans who try to sail to the United States, the U.S. Government reversed course on Tuesday and opened its borders to about 15,000 "boat people" held in refugee camps.

Mercosur Labor Federations Back Common Market

PY0205175495 Buenos Aires TELAM in Spanish 2055 GMT 1 May 95

[FBIS Translated Text] Montevideo, 1 May (TELAM-SNI)—Argentine, Brazilian, Paraguayan, and Uruguayan labor federations today confirmed their commitment to supporting the Mercosur [Common Market of the South] regional integration process.

The labor federations' support for Mercosur is conditioned by a common market guarantee of workers' social, political, and cultural protection, and to a commitment that the transformation of productive structures will not be carried out at the workers' expense.

The CGT [General Confederation of Labor] (Argentina); CUT [Sole Workers Center], Labor Force, and CGT [General Workers Confederation] (Brazil); CUT [United Workers Trade Union Federation] (Paraguay); and PIT-CNT [Interunion Workers Assembly-National Convention of Workers] (Uruguay) issued a document that was read during the commemoration of Labor Day in this capital, saying that Mercosur "will be legitimate only if it makes progress in the process of development with social justice in order to improve the standard of living of its peoples."

The labor federations' declaration, which was also signed by Chile's CUT [United Workers Confederation] and Bolivia's COB [Bolivian Labor Federation] as members of the Southern Cone Labor Federations Coordinating Board, stressed that Mercosur must be above economic and commercial issues when creating an economic, social, and cultural space in the region, which in the future could be expanded to the whole of Latin America." [no opening quotation marks as received]

The document stresses that the four countries have a work market of nearly 90 million people, which "as a consequence of adjustment policies and a strong productive reorganization is becoming increasingly precarious."

The document says that "nearly a third of all the salaried jobs in Mercosur are irregular, and not regulated," and that member countries "have high unemployment rates while salaries systematically lose their purchasing power."

The labor federations reiterated their proposals to look after labor and social problems, and approved a letter on workers' basic rights.

The labor federations also requested that more attention be directed at productive sector's problems, in order to overcome the merely commercial content of the current integration process.

The federations requested "consideration for the needs of relatively less developed nations and regions, considering existing imbalances, and the promotion of a harmonious development at both levels."

The federations concluded by demanding the rapid implementation of the Mercosur Economic and Social Forum that was approved by the Ouro Preto Protocol, the consolidation of the Joint Congressional Commission, and a deeper analysis of the jurisdictional aspects of the region's integration process.

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Cuba

Alarcon News Conference on Migration Accord

FL0205224695 Havana Radio Rebelde Network in Spanish 1600 GMT 2 May 95

[News conference by Ricardo Alarcon, president of the Cuba's National Assembly of the People's Government, with Cuban and foreign reporters at the International Press Center in Havana—live]

[FBIS Translated Text] [Alarcon] I would like to announce today, Tuesday, at 1200 on 2 May...[pauses] I want to open by reading a document immediately. It says:

Joint Declaration

The Republic of Cuba and the United States of America have reached an agreement on steps to continue normalizing their relations as regards migration. These steps complement the agreement reached on 9 September 1994 and are designed to seek solutions to security and humanitarian concerns, as well as to guarantee that migration between the two countries will occur in a legal, safe, and orderly manner.

Provisional Humanitarian Admission

The Republic of Cuba and the United States recognize the special situation of the Cuban immigrants who are now in Guantanamo Bay. Both governments have consequently agreed to continue with the process for provisional humanitarian admission to the United States and have also agreed not to limit the process to persons meeting conditions for provisional admission according to current criteria.

Both governments agree that if the United States decides to grant provisional admissions, these will count toward the minimum number of Cubans they are compelled to admit each year under the terms of the 9 September 1994 agreement. Up to 5,000 of such provisional admissions may be included in the total applied toward meeting the minimum number within a period of one year, beginning 9 September 1995 and regardless of when the immigrants receive permission to migrate to the United States.

Safety on the High Seas

The Republic of Cuba and the United States reaffirm their common interest in preventing the dangerous departure of Cubans. Starting from right now, Cuban immigrants intercepted on the high seas by the United States who are trying to reach the United States will be returned to Cuba. Likewise, immigrants who illegally enter Guantanamo Naval Base will be returned to Cuba.

The Republic of Cuba and the United States will cooperate in this effort. All measures that may be adopted will be in keeping with the international obligation of each country. Immigrants forced to return to Cuba will be briefed by U.S. authorities on the procedures they must follow at the U.S. Interests Section in Havana to request legal admission to the United States.

The Republic of Cuba and the United States will ensure that no measures will be adopted against these immigrants returned to Cuba by the United States as a result of their attempt to migrate illegally. Both parties will work together to facilitate the necessary procedures for implementation of this order.

Inadmissibles

The Republic of Cuba and the United States agree to return to Cuba all Cuban citizens now in Guantanamo who cannot be admitted into the United States.

Agreement of 9 September 1994

The Republic of Cuba and the United States agree that the resolutions of the agreement of 9 September 1994 remain in force, with the exception of the changes made in the present joint declaration. Both sides reaffirm their joint commitment to taking measures that prevent dangerous departures from Cuba that may lead to the loss of human lives and to prevent violent acts associated with illegal immigration.

[Dated] 2 May 1995

This is the text of the joint declaration read by us in Havana and which surely is being read simultaneously in the U.S. capital. I assume there are enough copies to be distributed among the reporters.

[Moderator] Yes. We will distribute some copies now, and you reporters are free to ask the questions you deem convenient. Rosie Hays.

[Hays] Mr. Alarcon, what made you reach this decision [words indistinct]? What happened to encourage this [word indistinct]?

[Alarcon] Well, on more than one occasion we have said that both the Cuban and U.S. Governments understand the special situation that persons who are now within the perimeter of Guantanamo Naval Base are facing. Those individuals arrived there in an attempt to emigrate to the United States through illegal means. At the same time, both sides have stressed the need to find a solution to this problem in such a way that the 9 September agreement would not be affected, a solution that would not promote illegal immigration, which, to the contrary, would contribute to putting an end to situations, as well as similar situations, in the future. I believe this document is aimed at finding a solution to those issues, and I think it is an adequate solution.

[Moderator] [Words indistinct].

[Reporter] [Words indistinct] to solve the issue of the Guantanamo Naval Base paves the way for an understanding on matters that could be considered crucial.

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[Alarcon] We have always been in favor and have stated our willingness to advance toward a possible normalization of the relations among neighboring countries, in any relevant area. The agreement I have just read specifically refers to the subject of this issue, but we maintain our opinions and we are willing to advance towards solving other pending issues between Cuba and the United States.

[Moderator] Alfredo Munoz.

[Munoz] If I could be allowed two questions: This is the first time that something has called my attention [words indistinct] provisional admission into the United States of those people who are in Guantanamo. The second question: The British government has just announced that as of right now all illegal Cuban emigrants who arrive at [words indistinct] will be deported. In both cases, I think it [word indistinct] of policies or attitude of the Cuban Government toward illegal emigrants because it accepts their deportation. I think that this is the first time, except in those specific cases, of the [words indistinct]. I would like [words indistinct].

[Alarcon] To answer your first question, provisional admission is a concept expressed with the word parole [preceding word in English]. In other words, it is a legal procedure by which persons without visas can enter the United States. This is the formula, the legal mechanism that would make it possible to admit into the United States individuals who have not followed normal procedures. I believe this agreement will require changes on both sides.

The same question can be directed to a different audience. It is obvious that these new regulations will require changes. We believe those changes are necessary, just, and truly useful, as we pointed out in the first paragraph—in other words, the objective of continuing the process to normalize migratory relations between both countries.

[Moderator] [Words indistinct]

[Reporter] [Name indistinct] of DIARIO 16, from Madrid: If the agreement has already been reached regarding the people in Guantanamo, when do you estimate these people will be leaving to [words indistinct]?

[Alarcon] I assume that this will take some time. There are organizational and practical issues involved. The agreement clearly says that some individuals will be sent back to Cuba under Cuban jurisdiction and that the current system for provisional admission will be expanded. Criteria currently in place will be expanded.

In other words, except for those the United States regards as inadmissible, all the rest would travel to that country. One presumes that this will entail practical arrangements on the U.S. side, means of transportation, organization, etc. This is something that would really be up to them to explain.

[Moderator] [Name indistinct]

[Reporter] Alarcon, I just heard on a U.S. radio station that Attorney General Reno will soon announce that from now on all Cubans intercepted by the U.S. Coast Guard will be deported to the United States—I mean Cuba. Do you know anything about this? Is there something to it?

[Alarcon] By now, Ms. Reno should have read the document I just read to you. The only difference is that she read it in English.

[Moderator] Mauricio.

[Mauricio] I have two things: One, do you think this change of policy—with these new agreements—will contribute to normalizing migratory relations between both countries? What other steps are pending or are next in implementing full normalization, if we can call it that? This is my first question. Here is my second: You have talked about the 2,000 persons who entered the Guantanamo base and have returned through mined fields or have been flown back legally. What will happen to those 2,000 persons?

[Alarcon] The text I read stated: have reached an agreement on steps to continue normalizing their relations as regards migration. These have been extremely irregular and have been this way for three decades. Since last 9 September, we have been engaged in a process to normalize them. Logically, this is more a process than just action. The idea of continuity and establishing a system, in my opinion... [pauses] We will really be able to talk about full normalization of migratory relations only to the extent to which this measure is fully abided.

As for the second point, I can tell you that this has been a factor in the consultations between the two governments and led to adoption of this agreement. This is a temporary situation, a special case. I can assure you the Cuban side did not ignore this issue. We have been very aware of those people's cases. I dare say I am fully confident the U.S. side shares this concern and viewpoint.

[Moderator] [Words indistinct]

[Reporter] Doesn't this agreement violate U.S. law on Cuba, the Cuban Adjustment Act, for instance? In this respect, how can the U.S. Government ensure compliance with this point on safety on the high seas and returning the rafters, considering that it has a legal structure, the Judicial Branch, which, as in the Macias case, can rule otherwise? What guarantees has the U.S. Government provided the Cuban Government in this respect?

[Alarcon] Perhaps a colleague of yours has posed a similar question to Ms. Reno. I am sure she is better qualified, as the U.S. attorney general—the justice minister—to respond. This and the 9 September accord are very clear. The two governments pledge to prevent illegal

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immigration. They also pledge to oppose and do everything possible to prevent acts of violence associated with illegal immigration. I think the political commitment of the two governments, the two administrations, is clear. I have no reason to doubt that this commitment will not be manifest in the implementation of this accord.

[Reporter] I have two questions. First, who does the United States consider inadmissible?

[Alarcon] People now in the installations that they occupy at the entrance to Guantanamo Bay, who for one reason or another cannot meet the requirements of U.S. regulations to enter the United States. There could be various causes for this. My impression is that this is a small number, a very small number of the people who are now in Guantanamo Bay.

[Reporter] In these talks between you diplomats, did you touch upon Bill Clinton's decision on the flights and the money?

[Alarcon] The measures imposed by the U.S. Administration on 20 August has been a constant source of concern for the Cuban authorities. I can assure you that we have not stopped stressing this fact in all of the meetings, contacts, and exchanges held between representatives of the two governments. I can say what I have already said on several occasions: In my opinion these measures are incompatible with the spirit of these agreements and furthermore are inconsistent with the current situation because they correspond to a situation that has been completely overcome. This leads me to repeat once more that I am fully convinced that they will be lifted in the future—hopefully in the near future.

[Reporter] Discussions on the anti-Cuban Helms-Burton bill will be held soon in both Cuba and the United States. As we all know, if this bill is approved it could create a situation similar to that created by the so-called rafters crisis. Did the two governments take this into account in any way in reaching this agreement?

[Alarcon] I know that this bill is pretty well-known in Cuba and has sparked the people's interest, and that beginning tomorrow, as you pointed out, the Legislative Assembly will begin a series of public hearings on the bill. It is presumed, expected, and hoped that the U.S. Congress will also discuss this bill. In reality up until now this bill has not been discussed anywhere in the United States. There has been comment by newsmen, politicians, and prominent people, but with the exception of a procedural debate in the Senate—when an announcement was about to be made in the Senate on the law on defense appropriations, in a rather extravagant manner Senator Helms tried to introduce this voluminous so-called piece of legislation as if it were an amendment to the military appropriations law and instead provoked a procedural debate—and a relatively brief meeting of the House's Subcommittee on Western Hemisphere Affairs—a meeting that I don't think lasted even two hours—I know of no other discussion in the United States. Precisely on the occasion of that debate in the Senate some U.S. senators stressed that issue and demanded that a debate be held, at least in the legislative commissions. We hope that this debate is held.

I believe that this attempt, headed by Senator Helms and Representative Burton, will be on the minds of the Cubans and North Americans, as will its possible impact on this topic, among others. I would say that the spirit of this agreement has nothing to do with the spirit that moves Mr. Helms and his friends; better said, it seems to be headed in the other direction. I believe that it is also worthwhile to say that this document is the result of consultations between the two administrations, and that the Clinton administration, as far as I know, has expressed its disagreement with the Helms bill.

[Reporter] It has been said that this immigration agreement manages to get the United States [3-second break in reception] the illegal immigrants from Cuba different than illegal immigrants from the rest of Latin America, which is to return them to their country of origin. This could be a good sign of the communication between the two governments: that this agreement has been reached, and that other agreements can be reached at least in key topics.

I would also like to return to the Helms bill. One sector of the U.S. Congress backs this legislation, which would strengthen the blockade imposed on Cuba. I would like your opinion on such conflicting positions: on the one hand, a good sign from the U.S. Government with the immigration agreement, and on the other the attempt by a sector of the U.S. Congress to step up the blockade and the attacks on Cuba.

[Alarcon] First, I agree with you that this agreement places migratory relations with Cuba at exactly the same level as migratory relations with other Latin American countries and other places. In sum, this involves applying the same rules and procedures applicable to immigrants from other nations, other countries. This is natural. It should have always been this way. This is the way in which states should behave. But we cannot fail to underscore that the opposite has been true in Cuba's case since 1959.

In other words, placing relations on this matter with our country on the same level as relations with other countries in fact implies that this is tantamount to normalization of the treatment of Cuba on this issue for the first time since 1 January 1959.

As for the second question, what can I say? U.S. society reflects many paradoxes, many contradictions that are part of its own nature, I'd say. There are people that are capable of blowing up a public building, of killing a large number of children and innocent people as an expression of their hatred for their government, their administration. There are people who consider the Federal Government their worst enemy. The Federal Government...

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[pauses] and realities such as this one, the existence of groups with thoughts like these. The two are part of U.S. reality.

I think that there are two different ideas here. We have differences with the current U.S. Government, the current administration, but we cannot fail to recognize and point out differences between this administration and other U.S. political factors. In my opinion they are clearly reflected in the contrast that you noted.

[Moderator] [Name indistinct]

[Reporter] Is the return of deserters specified in the agreement? That is the first question. The second is: How does Cuba benefit from this agreement?

[Alarcon] I think that Cuba benefits and is interested in everything that moves toward recognizing its independence and sovereignty, to being treated on equal footing, to being treated as are other world states. I think that this is a fundamental goal of our foreign policy. Even if on just one issue we can achieve this just and adequate treatment of the Republic of Cuba, we think that this is an important achievement.

That is the main benefit. I think that it should help, it should serve as the basis for this issue, which has been so manipulated, handled so much as a hostile strategy against Cuba, it should start to become part of a completely different reality, one that flies in the face of more than 30 years of history, 35 years. I think that this will result in more normalcy and a more appropriate, just, and logical handling of a topic that is, after all, natural, normal, and humane, as is the migration issue.

The agreement, Luis, must be read in conjunction with the 9 September agreement. I think that it has very clear provisions. As I told the young lady earlier, it implies placing migratory relations with Cuba, the treatment of persons trying to enter the United States from Cuba, on the same level and under the same regulations, provisions, and policies applied to any other country on the planet.

The characteristics of the person who plans to enter without a U.S. visa, without complying with normal migration procedures, in my opinion, is somewhat foreign; it goes beyond the main issue. As for motivations or the characteristics of the person—you can call it whatever you want—the agreement refers to whether this person went through the normal procedures to enter the United States.

Supposedly, it is clearly stated in the agreement, and I am sure that Ms. Reno will talk about this or has already done so very clearly, that beginning at this moment, 1200 on Tuesday, 2 May, any persons coming from Cuba, any Cuban coming from Cuba who tries to enter the United States illegally, that is, without complying with migratory procedures, will be returned to Cuban authorities, will be returned to the Republic of Cuba. The same will apply to persons who try to do this on U.S. territory and the zone that is occupied by a U.S. military installation, against our will, at the entrance to Guantanamo Bay.

[Moderator] Orlando.

[Orlando] In the announcement, there is reference made to the Cubans who will be returned. Will there be reprisals against those Cubans who are returned to Cuba after trying to enter the United States? [Words indistinct] the second question is: Do you believe that with this declaration we are putting an end to the so-called Cuban rafters crisis? Or are the talks going to continue?

[Alarcon] The declaration clearly states that the Republic of Cuba and the United States will ensure that no measures are taken against those emigrants who are returned to Cuba. This means that just because he tried to migrate illegally to the United States, this person will not be the object of reprisals or will not suffer any damage to his rights. The same holds true for the Republic of Cuba and the United States of America. The person will still be able to migrate legally if he meets the normal requirements of the United States and if he submits his paperwork through the normal channels. His rights in this regard would not be adversely affected. The person will not be penalized by Cuban authorities for the mere act of trying to violate U.S. immigration laws.

Of course, this does not preclude the obligation of the Cuban authorities or society to act against such a person for other reasons or crimes committed before or after the attempt. It also does not detract from the U.S. right to grant or reject a visa if he requests it later. What I want to make clear is that he will not suffer any consequences just because of an attempt to migrate to the United States.

[Orlando] The other question.

[Alarcon] I think you had a third question. As for how [break in reception] I think this completes the immigration process that was agreed upon in September. Part of the normalization of relations is joint action by both governments to ensure that the objectives, the principles, and the norms that have been established are fulfilled. That is why we have met a couple of times since the September agreement to verify its fulfillment. One paragraph in the September agreement calls precisely for periodic meetings to review its implementation. The document I have just read refers to cooperation and joint measures, which obviously imply continuity in coordination and effort by both countries in fulfilling the agreement.

[Reporter] [Words indistinct] the rafter crisis would be concluded.

[Alarcon] I believe it was overcome last September to a certain extent. It no longer made the headlines in the media you represent. Certain important things were left pending. I believe this agreement is complementary. I would say that with this agreement we have achieved

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normalization of relations in this area. We have overcome the crisis—and much more than the crisis. The negative, painful consequences which the previous policy represented for our people for more than 35 years should be overcome with this agreement.

[Moderator] [Words indistinct]

[Reporter] In the initial agenda, one of the points had to do with the inadmissibles. The Americans say there are more than 5,000 of them now. Did you talk about that or are you going to discuss that topic later on?

[Alarcon] I want to make something clear. People speak of topics, conversations. This document is the result of diplomatic consultations between the two governments. As stated in its first paragraph, both governments have concentrated especially on humanitarian and security issues. This is what the document says. As for this process, the topic of discussion in these consultations is what appears in this document. The topic of the inadmissibles is part of the agenda, as you said. This topic is included in the 9 September 1994 agreement. It has been and continues to be the object of discussion in meetings held periodically in New York. We hope there will be another one here in Havana soon.

[Moderator] [Words indistinct]

[Reporter] Recently, Cuba acknowledged the possibility that there might be more illegal emigration. I said: Recently, Cuba acknowledged the possibility that there might be more illegal emigration if the United States were to strengthen the blockade with a law like the Helms-Burton bill. Does this agreement mean that such a possibility of new departures of people has been avoided?

[Alarcon] The agreement clearly explains how the two governments will treat attempts to immigrate illegally. I trust that it has been drafted in clear Spanish and precise English, and that people are capable of understanding what would happen to whoever tries to ignore them or violate the laws of the two countries.

[Moderator] Alfredo Munoz.

[Munoz] It seems logical that the agreement [words indistinct] is deflecting a problem that is basically a U.S. problem, namely [words indistinct] of those Cubans held at Guantanamo. The thing is I do not know how to ask what I want to ask, but it seems to me that the great beneficiary of this agreement is the United States. If that is the case, it would be evident or seems evident that the Cuban Government made the [passage indistinct].

[Alarcon] Alfredo, it wouldn't bother me if many people in the United States want to look at it that way. I think it is a just agreement in line with the interests of the United States and Cuba. First, it is true that the situation on the Guantanamo base has been a problem for the United States. But it is also a problem for Cuba. The Guantanamo base is located on our territory. The people there are Cuban nationals. The existence of this abnormal situation, on top of the abnormality of the existence of military base against our will on part of our territory... [pauses] we had an additional abnormal situation, which was a source of tension or possible source of tension, something that this accord also eliminates.

On the Cuban side, what we have said many times is that there should be an end to the discriminatory practices applied against Cuba with manipulating and political intentions as part of the aggressive policy against Cuba since 1 January 1959. On that date, the first Cuban rafters arrived. They left in luxurious yachts in which they escaped to Florida after the triumph of the revolution. Since that night, receiving them with open arms had become a systematic practice. I believe that this has changed, and it would be incorrect on our part not to recognize the importance of this change.

In addition, I believe it is in the interest of both Cuba and the United States—a real, permanent, stable interest for U.S. society—to maintain normal relations with us in this area, as with other states. I would say that as in all good agreements, both sides have won. If one of the sides had won over the other it would really have been a bad agreement. I believe that is the virtue of this document. It would be incorrect to see in it any loss for the United States. Perhaps some people in the United States may see it that way, but I hope it will be received and appreciated over there as we Cubans must view it: as an important agreement that is consonant with our national interests.

[Reporter] Let us return to the practical field. You mentioned a while ago that there is no reason to doubt that the U.S. Government will apply the policy approved in this agreement. Nevertheless, the September agreement also included certain points, and the Cuban Foreign Ministry protested the Macias case. In other words, some points were not complied with, or at least not in accordance with the spirit of the agreement. My question is: in the practical sense, how will this agreement be structured. I assume that if U.S. authorities offered Cuba specific things such as the repatriation of all Cubans found on the high seas, there are guarantees that this can really be done and that a Florida judge will not come out and say that it cannot be done. What will happen with the Macias case, for example, on which Cuban and U.S. authorities disagree? What will happen with other similar cases? How will such cases be handled? How will deportations be done? Will there be a bilateral commission to capture and receive the rafters? What kind of follow-up action will be implemented for the deportees? Will both governments be responsible? What role will the U.S. Government play? What practical mechanisms will be implemented, which in the long run will determine the viability of the agreement?

[Alarcon] Regarding this last topic and practically in every paragraph it is stated that there will be cooperation, coordination, and joint efforts between both sides. It is not possible to reflect a lifetime in one document.

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Furthermore, the adequate implementation of any commitment between two governments must be actually verified. This requires joint efforts, which I am sure will be conducted by both governments.

Some aspects of your question are more of a technical nature. Consequently, I am sure Ms. Reno is better prepared to answer those portions because she is familiar with U.S. legislation. I do wish to mention something, however. You mentioned an individual guilty of an act of violence and of having violated emigration regulations in the critical days before the September agreement. As far as I know, the U.S. Government, or, more precisely, the U.S. administration, has not accepted this person. The administration has appealed and keeps appealing for this person not to be admitted into the United States. This is in accordance with U.S. law and regulations. From the viewpoint of the U.S. administration's attitude, commitment, and willingness, I must admit that the U.S. Government is continuing to make every effort to do justice and comply with this commitment.

[Moderator] Mauricio.

[Reporter] Does this agreement mean, for instance, that the crime of illegal departure from Cuba might disappear? Does this agreement invalidate the Cuban Adjustment Act? This question refers basically to the Cubans who travel to the United States and stay there, as they have been doing, although the 9 September agreement clearly states that Cubans entering the United States illegally will continue to be admitted into the United States, even if they arrive in rafts and say they want to stay. Has this been considered? What will happen to them?

[Alarcon] In my opinion, this agreement does not violate the Cuban Adjustment Act. I think, if you read that law carefully one would see—and I am certain this is how the U.S. Justice Department will interpret it—that regardless of how one feels about the law, whether it is advisable, should exist, and so on, the United States can acquire this commitment without being in anyway limited or hurt by other laws of that country. That is the impression I get, but I am not an expert on U.S. law. I am certain Ms. Reno has been asked that question, and she certainly answered it; I hope along the same lines.

[Moderator] Mariana.

[Reporter] Regarding people who travel to the United States, I mean those people who go to visit their relatives or for any other reason, and do not want to return to Cuba, are they [word indistinct]?

[Alarcon] I think the answer to that can be found in the laws and regulations. Normally, one cannot do that. Normally, someone who stays beyond the period of time allotted to remain in a country must return or is made to return in some way. Exactly how this agreement will be enforced in each and every case, there is some leeway for legal experts to provide an answer. What is clear, however, is that the United States does not want or wish to admit people into its territory who do not meet or abide by U.S. regulations.

For many years, a special policy was implemented when those people were Cubans, when they were Cuban nationals. I think it must be sufficiently clear by now that the essence of this agreement—that is, the 9 September agreement and this joint declaration—is to make this message known—a message to which the young woman referred in very precise terms. Cubans will not be discriminated against. There is nothing there that hurts any Cuban, not even Cubans who wish to emigrate. Henceforth, as of 1200 on Tuesday 2 May, they will receive exactly the same treatment people of other nationalities receive when they try to go there or stay or remain beyond what immigration regulations permit.

[Moderator] Mariana.

[Reporter] No, sorry [words indistinct].

[Alarcon] Those are the well-known 20 August measures that we were referring to before.

[Moderator] Mariana, please.

[Reporter] That was my question, precisely—the concern that Cuba has with the Adjusment Act [preceding words in English] if it is not repealed, Cuban emigrants enjoy a kind of privilege. They still have a little privilege. Is it repealed or not? That was my question.

[Alarcon] The Cuban Adjustment Act [preceding words in English] gives the U.S. attorney general the power to authorize the stay and adjust the legal status of Cubans who left Cuba at some time after 1959. Look, the essence of this act lies in the authority the attorney general enjoys. I have no doubt... [pauses] I have a strong suspicion someone has asked Reno, since she is precisely the one who has that authority granted under the law. The law that gives this person the authority to do something, gives her discretionary power, is also giving her the same authority to decline to do it.

In a strictly legal context, the truth is that with this law it can be applied as other U.S. administrations have done. Now this government has decided to make a dramatic change in policy, and has announced that this will no longer be done. Also, it can make this change by using none other than this same law.

[Moderator] Homero Campos.

[Campos] You said you believe that in a short time the 20 August measures are going to be lifted. My question is this: What are your hopes based on? Do you have any indications in line with this? My second question is this: When was this agreement reached? Was it reached at the latest meeting in New York three weeks ago and not announced until now, or was this agreement reached yesterday? How did this occur?

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[Alarcon] In response to your first question, here is my personal belief: These measures are going to be lifted at any moment. I have the right to believe certain things and not to believe others. I think that a lot of time has passed, and that these measures should have been lifted a long time ago. Why do I believe this? Why do I trust that these measures will be lifted in the future? Because it is increasingly evident, and several of you have stressed this, that the situation of conflict, the crisis that led to the implementation of these measures, is increasingly distant, farther away, and further in the past, and this makes these measures—measures that were adopted in the face of this crisis—more senseless each day. I trust in the sanity and good sense of the North American authorities, who are capable of taking important steps such as those outlined in this document. Consequently, I firmly believe that these measures also will be lifted in the near future.

The document that I read is the result of diplomatic consultations that were made between the two parties. This is all that I can say.

[Reporter] This question is indirectly connected to the agreement. The rafters who are at Guantanamo, do they have to leave—namely, those who are not inadmissible, of course—do they have to go to the United States? I understand that although this is a military base, some Cubans were being encouraged to stay at Guantanamo for community and administration services and so on.

[Alarcon] I believe that what I read is very clear. Within a certain period of time, the people who are there today will either be in the United States or back on nonusurped territory of the Republic of Cuba. There is no reference to any intermediate status. There has been a lot of talk about a lot of things. Most of all, there has been talk by some people in Miami. Nevertheless, it is very clear that within a relatively short period of time we can again discuss the base at Guantanamo solely as a territory that was usurped from the Republic of Cuba—a military base that is in our territory against our will, and so forth. There will be no more talk of Guantanamo being a place where there are Cuban citizens aspiring for immigration. Those Cubans who are there will either have been admitted to the United States or returned to Cuban jurisdiction. Those who, subsequent to this moment in time—in other words, after 1200 on Tuesday, 2 May 1995—might attempt to enter the base will have been returned to Cuban jurisdiction. In turn, none of those cases will have the slightest possibility of existing.

[Moderator] Well, I believe that in order to cut things a bit short, we still have one, two, three, four hands raised. I believe that we can conclude with these four questions. Luis Baez, the young lady, followed by Cespedes and finally Copa.

[Baez] Alarcon, you recently returned from Canada. Could you comment on the issues you discussed with the Canadian authorities? [laughter in the background]

[Alarcon] Well, we were able to meet with several Canadian parliamentary and government officials. I would say that I returned from Canada quite happy and satisfied with the contacts made. I believe that the visit will contribute to the establishment and continuation of an intense process of exchange between Cuba and Canada that will cover all areas, including interparliamentary relations.

In addition, during the visit we were of course able to discuss international issues. In this respect, I could say that the so-called bill that is being mentioned over here, is also being constantly mentioned in Canada, and much is being written about it in the press. I was not able to find a single Canadian who was not annoyed, uncomfortable, or not opposed to the Helms proposal.

[Reporter] I have three questions [words indistinct]. First, radio transmissions from Guantanamo have for some time now been referring to the likelihood of [words indistinct] to two Cubans. On the one hand, [words indistinct] visas per week, [word indistinct] to Miami. I would like to know if you discussed this issue and what you said about Cuba's position on the issue? Second, regarding those Cubans in Guantanamo who are nonadmissible to the United States and who now want to return to Cuba, I would like to know if the United States made their intention known? Third question: During a visit to Washington, some representatives of nongovernmental organizations referred to the possibility of the U.S. Government allowing some U.S. organizations to begin some assistance programs on the base. I would like to know, Mr. Alarcon, what information you have about these issues?

[Alarcon] Well, in general, with respect to the first and last questions, all of this will no longer be applicable, especially since according to this agreement, soon there will be no one to visit the base at Guatanamo. Neither will there be any need for nongovernmental institutions or any other institutions to provide support for those people at the base. This agreement means that the territory of Guatanamo base will no longer be used as a migration processing center for Cubans. It will revert to what it was before. What it was before is not to Cuba's liking, but that is because of other reasons, other issues. It is because the base usurps our sovereignty and part of our territory and because of the existence of a military base. At any rate, it will revert once more to a military base.

Regarding Guantanamo, we will return to the situation that prevailed before this crisis with one additional element; as of now, it will no longer be used to receive more Cubans. Prior to the so-called rafters crisis, there were some cases of individuals who were allowed to enter through that base and who subsequently emigrated to the United States. This will no longer be allowed. If it takes place, the individuals will be returned immediately to Cuba, as stipulated in the agreement. Therefore, there would be no need and it would be illogical to allow visits

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to Guantanamo base or to organize activities for Cubans at the base, since there will be no more Cubans at the base. With respect to what will take place with those people, that is also quite clear. They will not remain in Guantanamo. They will be departing Guatanamo in two directions. The majority will be going to the United States, and a smaller portion will be returned to Cuba. Any Cuban who after 1200 today reaches Guatanamo base will be returned to Cuba, regardless of the wishes of the individual in question. These are decisions agreed upon by both governments and will be implemented because we have the right to do so since they correspond to international laws and each nation's regulations.

[Moderator] Cespedes.

[Cespedes] There is one point in the agreement. There are 5,000 people who are going to enter, from the 20,000 minimum. That means that [words indistinct].

[Alarcon] I understand that from the point of view of style, that paragraph is possibly the least pleasant one of the entire document.

It is a problem of bookkeeping, of accounts. The United States signed an agreement on 9 September 1994 whereby it assured it would facilitate the annual immigration into the United States of a minimum of 20,000 Cubans residing in Cuba. This is the minimum number—the bottom line [piso], to say it the American way; that is to say, at least 20,000 people.

At Guantanamo, there are thousands of Cubans. Most of them will travel... [pauses] nearly all of them will be admitted to the United States. This figure can be deducted from or charged, so to speak, to the minimum number of Cubans the United States must admit annually. This does not mean that all of them will be admitted during the first year or that they will have to wait several years for those annual quotas to be covered. It is, and this is why I used that term, a matter of keeping an account.

In other words, if there are 20,000 Cubans in Guantanamo, and if from the practical, organizational point of view they can be transferred this year to the United States, that will probably be done. This does not mean, however, that the United States will deduct that number from its minimum of 20,000. The United States is entitled to a deduction of 5,000 people a year because this is a...[pauses] even though we may think that this problem is far behind us, it is a problem. Nor does it mean that the United States will deprive any average potential immigrant who has done his paperwork in the Republic of Cuba of his legitimate right to emigrate to the United States, even if he is not among the Cubans who are at Guantanamo.

Remember, we are talking about a minimum, not a maximum but a minimum, annual obligation acquired by the United States. I believe this solution is rather complicated in its wording, but, in fact, it is a reasonable solution. I am certain it will improve everyone's understanding and will lead to the solution of a problem for this group of Cubans now at Guantanamo Bay, and it will do so without affecting the interests or legitimate rights of other Cubans and without creating fear in the United States over the arrival of an apparently very large number of immigrants during the course of this year. [At this point, Havana Radio Rebelde Network in Spanish breaks from its live relay of Alarcon's news conference and returns to the studio to broadcast its regularly scheduled "National Radio News" newscast]

Details of Agreement Described

PA0205172095 Havana PRENSA LATINA in Spanish 1631 GMT 2 May 95

[FBIS Translated Text] Havana, 2 May (PL)—The Governments of Cuba and the United States today made public a decision concerning the departure of rafters imprisoned at the Guantanamo Naval Base as a complement to the migration agreement reached by the two parties last year.

The announcement was read simultaneously in this capital and in Washington by Ricardo Alarcon, head of the Cuban delegation to the talks, and by Attorney General Janet Reno.

Alarcon described details of the new agreement, which specifies that 5,000 of the 21,253 people interned in infrahuman conditions at this U.S. military installation may leave for that country this year.

The Guantanamo Naval Base is situated in a Cuban province with the same name in the extreme eastern side of the country. Cuba considers it to be an illegally occupied territory. The internment of rafters there has provoked an angry protest from the Cuban Government.

The agreement includes a section dealing with the return to their places of origin of those individuals who may try to make an illegal and dangerous journey from Cuba to U.S. territories.

Ross Leal Issues Call to CTC Congress

FL0205020195 Havana Tele Rebelde and Cuba Vision Networks in Spanish 1315 GMT 1 May 95

[Call to the 17th Cuban Workers Federation [CTC] Congress, read by Pedro Ross Leal, CTC secretary general and Cuban Communist Party Politburo member, at May Day ceremonies in Havana—live]

[FBIS Translated Text] Workers, the national committee of the CTC has decided to convene the 17th Congress of the CTC in the first half of next year, and urge our combative working class, all workers nationwide, and the cadres of the union movements to begin preparing for its success from this moment on.

The revered memory of our national heroes, Jose Marti, General Maximo Gomez, the Bronze Titan Antonio

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Maceo, and all our freedom fighters inspire us to endeavor in this task in the year of the centennial of the reinitiation of the war of liberation and the death in battle of the Apostle of our independence.

With deep emotion, keeping in our hearts the indelible memory of our founder and teacher, Lazaro Pena, as well as Jesus Menendez and many other fallen comrades, we have selected May Day, a day for over a century rooted in the tradition of struggle of the Cuban workers, and its union movement, to announce this call.

We announce our congress, supported by history since the onset of the Cuban nation, a history forged in the crucible of the war against slavery and neocolonialism, resistance against neocolonialism and imperialist exploitation, and the Revolution—headed by Fidel, which fulfilled the work begun by Cespedes in La Demajagua, which turned us into a sovereign nation and a people in control of its own destiny, and into a society of workers, which has given us everything we are today. We will therefore defend our national independence at any cost, the revolutionary government, our cultural identity, the full dignity of man, and the accomplishments of socialism.

The significance of this event lies in its defining of the role of the unions and workers under the new circumstances developing in our fatherland. With greater firmness and selflessness, even more than in the first three decades, the working class has performed a true feat in the last five years of the special period, under the precise leadership of our party and of Commander in Chief Fidel Castro. To have resisted this test, to the amazement of the world, is the measure of the infinite moral strength and capacity for resistance of our people [words indistinct] the struggle we wage in the the economy, politics, ideology, and defense. We will emerge victorious. [applause]

Today, much more awareness and a stronger patriotic spirit is needed in light of the complex situation confronted by the Cuban nation—the most difficult in its short and heroic history, in a world almost completely dominated by capitalism. This makes it necessary to undertake an intense and constant effort of ideological clarification proportionate to the the gigantic challenges being faced.

The primary goal of our 17th congress, from the base level meetings until the plenary sessions, will consist of deciding on how the union movement will tackle current and future transformations, national prospects for development, and how to preserve under these new conditions the unity that has been the indispensable condition for our strength. What is there to do, together with our people and its revolutionary organizations and institutions, to guarantee the existence of the Revolution of the workers, by the workers, and for the workers under any circumstances. [applause]

Strengthening national defense capabilities and the workers' contributions to national defense in every field will occupy a prominent place in the congress. The workers will continue being the decisive factor to maintain our island, more and more each day, as an undefeatable bulwark. [applause]

The economic strategy selected and implemented by the national leadership, rejecting neoliberal recipes and so-called shock therapies which are foreign to our revolutionary beliefs, is the only possible response to the unipolar world in which we live today, and the unbridled policy of the Yankee superpower to asphyxiate Cuba with a blockade increasingly strengthened.

In this strategy, state enterprises will continue to play a dominant role in the economy and cooperative productions will play a decisive role in the sugarcane and farming sectors. These socialist forms of ownership and production must coexist from now on with foreign capital and other elements of a capitalist economy as a result of the acute shortage of resources and t he decline in production experienced as a result of the disappearance of the Soviet Union and the socialist bloc, which affected 85 percent of our trade.

Our debates should find ways to help create a more efficient and competitive economy, with lower costs, quality production, higher material and moral remuneration of labor, and stricter labor, technology, and financial discipline. Likewise, in addition to the domestic financial recovery measures and the reorganization of the economy, this strategy requires the implementation of steps such as the imperative rationalization of the labor force in a gradual and controlled manner in all those sectors meeting established requisites while implementing the revolutionary principle of not forsaking a single worker.

Our analysis will seek to attain the fullest understanding of this need and direct union work, together with the management and institutions, to relocate surplus workers in the fairest manner. We are all aware of the complexity of this task. The goal is the voluntary relocation of surplus workers in activities experiencing a shortage of workers such as the farming and sugarcane sectors, as well as new productive and useful jobs that should be created, particularly on a regional scale, including retraining workers and expanding self-employment options.

This congress should find the best way to defend, under these adverse conditions, the social policies of the Revolution. It will have to repeat with great persistence, as many times as necessary, that only through higher production and efficiency can there be more justice. It will also analyze how to defend the political and moral values created, in light of new elements that are appearing in our society that might weaken those principles and promote privilege and corruption.

Our agenda should include the search for new and better methods to improve benefit programs for workers and their relatives, to provide better moral and material

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incentives in connection with results, and to improve their quality of life by every possible means with the strong humanitarian spirit that characterizes our Revolution. This issue has to include, as a matter of justice, what to do to give a new dimension to our work with retirees. The congress will deeply analyze the presence and union involvement in new economic activities in our society, such as the joint enterprises, the basic cooperative production units, and others. Their respective labor organizations must represent and help these workers in upholding their legitimate rights.

We will also focus on how to increase and expand solidarity among the workers themselves and the people. We must encourage solidarity in all its forms, ranging from sponsoring schools and other institutions to help build homes for teachers, doctors, and workers mobilized to vital production tasks. Another expresion of solidarity is the donation of hard currency by workers who are able to do so, to contribute to solving the material difficulties Cuba has in health, education, and other fields.

On the basis of the concept of the general interests of the workers, embodied by the Revolution and socialism, the CTC and the unions should, under the new conditions, focus more on the just interests of the collectives and the individual rights of each worker. In order to do this, we need to have new notions, new styles of work, a new mindset, and properly discharge the role of counterpart to the management.

Our congress will be an example of democracy and participation. As on other occasions, all the basic theses will be discussed with the workers and union leaders, from the base level to the final session of the congress. From now on, and during the period of preparation for the congress, we will uphold as our main and ever-present goal, the efforts to increase food production and other production, and reestablish sugar production by boosting a series of important and vital tasks, completing the work force in agriculture and industry, tying workers to the area, massive use of animal power in every possible task, the development of self-sufficiency programs to the necessary extent, and promoting housing construction that also includes revitalizing housing at mills and agrarian communities. We call on all the unions to make this a reality, particularly the farming, sugar, and tobacco unions, as well as municipal and provincial bodies of the CTC.

Likewise, we hope that this call to the congress will encourage a mass movement of efficiency seekers among workers of every field of production, services, sciences, culture, and defense. Innovators and efficiency experts and all the participants in the Science and Technology Forum, in light of their intelligence and love for the Revolution, are charged with making important contributions to this effort.

As we issue the call to the 17th Congress of the CTC on International Workers' Day, we are deeply convinced that this event will become a new and significant moment in the history of the Cuban union movement, which will encourage us to continue making progress toward the full recovery of our economy, and mobilize all the workers on the path pointed out by Fidel: the steadfast defense of the our fatherland's independence, the reinforcement of our morals, the dignity of our people, the preservation of the Revolution and the accomplishments of socialism. [applause]

CTC National Committee.

Ross May Day Address on Helms-Burton Bill

FL0205164495 Havana Radio and Television Networks in Spanish 1334 GMT 1 May 95

[Address by Pedro Ross Leal, Cuban Workers Federation (CTC) secretary general and Cuban Communist Party Politburo member, at May Day ceremonies in Havana City—live]

[FBIS Translated Text] Comrades: I just read the call [to the next CTC congress]. I must now address a situation that once again fills our fatherland's future with threats and danger. The U.S. Congress is staging the fiercest anti-Cuban blockade, despite the fact that governments and peoples worldwide demand an end to the cruel and inhumane Yankee blockade and that the very heart of the United States—the voices of press agencies, churches, scientists, organizations, and sensible politicians—is making even louder calls for a change to this irrational policy. Sinister figures of the Yankee ultraright like Senator Jesse Helms, who seek the Republican majority's support in Congress, are heading up this new escapade against our country.

Fifty years after the destruction of Nazi Germany and its allies, neofascism re-emerges in the form of the most prehistoric, adventurist, neoliberal, and aggressive circles of the financial capital. The irrational criminals who just committed the abominable terrorist attack in Oklahoma are the U.S. counterparts to those in Europe who murder defenseless Third World immigrants or defile Jewish cemeteries. Yet, these ranks do not represent the worst and most dangerous elements of this phenomena. That is left to politicians like Jesse Helms, who use their positions to promote hatred against immigrants, racism, the idea of imperial supremacy, and the use of military force against countries that do not bow down to the United States.

The annexationist Miami Mafia identifies itself with Helms in his innate hatred of independent and revolutionary Cuba. Canada, Mexico, the European Union, and the PRC have already vigorously rejected the Helms-Burton bill—a combination of approximately nine anti-Cuban bills circulated in the U.S. Congress—because it violates every country's international right to sovereignty. Self-respecting states cannot admit that the United States is trying to legislate with an extraterritorial sense for all the nations of the world.

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This bill aims to reinforce the blockade even more by blocking the sale of our main product—sugar—and retaliating against nations that purchase it. It aims to discourage enterprises that trade with or invest in Cuba; to block our relations and association with foreign capital; and to increase, among other things, radio and TV aggression against our country.

Legislators Helms and Burton want to force the rest of the world to join the blockade, to take from our people the national patrimony that the Revolution legitimately recovered, and to impose on the country an economic and political system that has been designed in the United States and under the Yankee government's supervision to turn Cuba into a Yankee colony.

While no one can assure that Congress will not approve this absurd, delirious, and undesirable bill either in full or in part, we can assure that the Revolution will not surrender its weapons. [applause]

The Revolution will not perish, despite the negative impact that some of these measures may have on our efforts. We are certain that our people will never allow the Yankee yoke to be placed around its neck. We will be victorious, as this worker said. They will have to pass over millions of dead bodies and over our soil before taking hold and privatizing our farms and cooperatives, our factories and mines, our health care centers and scientific institutions, our schools and universities, our day care centers and nursing homes, our means of transportation and communication, our tourist facilities and workers' centers. It would be a repeat of the shameful defeat the United States experienced in Vietnam 20 years ago. [applause]

Fidel said...[pauses to chant with the crowd: This nation belongs to Fidel!] Fidel said: Even though they may be able to wipe us off the face of the earth, we know that it is glorious and heroic to be wiped off the face of the earth in the name of a just cause. [applause] Comrade Raul says that they will be the ones to disappear. [applause]

Approximately 105 years ago, when thousands of workers gathered close to where we are today to commemorate the first 1 May of history, just a few steps away from this very place, General Antonio Maceo was staying at the Inglaterra Hotel. He was conspiring to reinitiate the war against the colonial regime and he made contact, among others, with the main leaders of the workers' movements of the time.

Evoking this act, we would like to conclude with these words remembering the eternal warning given by Antonio Maceo to our people: Whosoever tries to take Cuba, will have to take the dust of its soil drenched in blood, if they do not die in the fight. [applause]

Let us work toward the 17th Congress of the CTC, along with the defense of our fatherland's complete independence, and the justices conquered. Viva 1 May! [Crowd shouts: Viva!] Viva Fidel! [Crowd shouts: Viva!] Viva free Cuba! [Crowd shouts: Viva!] Fatherland or death; we will win! [Crowd shouts: We will win!] [applause]

Fidel Presents Lazaro Pena Awards, 'Work Hero' Title

FL0205151095 Havana Radio Rebelde Network in Spanish 0900 GMT 2 May 95

[From the "Doing Radio" program]

[FBIS Translated Text] Commander in Chief Fidel Castro awarded Comrade Jorge Luis Diera Estrada the honorary title of Work Hero [Heroe del Trabajo] of the Republic of Cuba. Diera Estrada, who was a member of the rebel Army, is a mechanic and innovator for the Western Military-Industrial Enterprise. Fidel also awarded the Lazaro Pena award at the first, second, and third degree, respectively, to Dagoberto Prado, a cane cutter of the Trade and Food Workers Union; Isaura Lanza Nieves, a worker of the Light Industry; and Ignacio Montero, from the food industry.

During the solemn ceremony, which was held at the Cubanacan Protocol Center, Fidel Castro also awarded the Jesus Menendez Medal to the collectives of the pasteurizing plant in Placetas, and to the [words indistinct] plant of the Guantanamo Agro-Industrial Complex, in recognition for their relevant results and achievements.

During the ceremony, which formed part of the celebrations on the occasion of Workers Day, Pedro Ross Leal, secretary general of the Cuban Workers Federation, awarded the Jesus Menendez medal to a group of leaders of the labor union movement and to outstanding workers from production and service sectors for individual and sustained results over the years.

Illegal Immigrants in Caymans To Be Repatriated

FL0205141895 Havana Radio Rebelde Network in Spanish 1155 GMT 2 May 95

[From the Prensa Latina News Summary segment of the "Doing Radio" program]

[FBIS Translated Text] Cables issued in London specify that The British Ministry of Foreign Relations announced on 2 May that Cubans who land illegally in the Cayman Islands will be repatriated to Cuba from now on. The spokesman said the immigrants cause a massive drain on the British islands' resources. Last year some 2,000 Cubans landed in the Cayman Islands, which has a population of 30,000. The same source said that the presence of the Cubans strained government resources almost to the breaking point. The spokesman added that the majority of the first wave of Cubans have left the Cayman Islands and returned to Cuba or other Antillean islands, and that the 170 Cubans who remain in the Cayman Islands will not be forcefully repatriated.

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The British Government will advise the Cayman G overnment but will not furnish financial assistance, the British spokesman said.

Other Countries

Haiti

Aristide Meets With Peasant Associations 30 Apr

PA0305001995 Port-au-Prince Radio Metropole in French 1600 GMT 2 May 95

[From "The Midday Newscast"]

[FBIS Translated Text] President Aristide met with peasant associations on 30 April at the National Palace. Discussing land reform, the head of the state explained that the reform will be carried out in coordination with the UN Food and Agriculture Organization [FAO]. During this meeting, President Aristide pointed out that an increase in the minimum wage is being studied and that no decision has been made. In his talks with the peasants, Aristide focused on the importance of the reactivation of national production. The president announced that some plouwing tools will soon be distributed to the peasants. This meeting was also the occasion for the head of state to discuss other current topics with the peasant associations.

[Begin Aristide recording, in Creole] [Words indistinct] has the obligation to listen to you, to respect what you have to say. He is also obliged to tell the truth. So when you suspect that the tires do not have enough air and the gas tank is almost empty, you must know how to [word indistinct] so that when you sit in the car and think that it will take you where you want—the land reform—it does not stop and break down on the road.

The second consideration is that almost everyone in the country agrees on disarmament. We are asking the state to implement the disarmament. We are asking the government to do so. We are asking the police to do so. [words indistinct] Now, if I want to be a good driver, can I tell you, allright, things will happen when all of us realize that there are things to be done? If we just sit there and only demand, while we can see that things can happen, should we not ask ourselves some questions? From October until now, haven't you been asking for disarmament? Has the disarmament been accomplished? [crowd answers no] [end recording]

During this meeting, President Aristide asked for the people's participation in the struggle against insecurity. Aristide availed of the opportunity to mention the escape of some prisoners in Port-au-Prince, Port-de-Paix, and Cap-Haitian.

[Being Aristide recording, in Creole] The other day, in Petion-Ville, unusual circumstances—they think that I did not notice [Aristide laughs]—allowed 11 prisoners to escape. They were dangerous prisoners. One of them is a person who killed some employees of the American Embassy according to what is believed so far. Another one is a soldier calling himself Saddam Husayn who cut the ears off of Cherilus and forced him to eat part of the ear. He was arrested and imprisoned [words indistinct]. Who helped to arrest him again? It was the people in Delmas. Can you, Haitian people, just lounge around and keep demanding all the time? No. Otherwise, will the car reach the land reform? It will not get there. [end recording].

Government, Industrialists Disagree on Minimum Wage

PA0205205395 Port-au-Prince Radio Metropole in French 1600 GMT 2 May 95

[From "The Midday Newscast"]

[FBIS Translated Text] The government intends to increase the minimum wage. The wage, which is now at 15 gourdes a day, will go up to 45 gourdes. According to LE NOUVELISTE, the Haitian industrialists, members of ADIH [Association of Haitian Industrialists], did not receive the news well. They claim that the decision of the government does not take reality into account. They say that a tripartite commission—government, labor unions, and employers—had suggested that the minimum wage be increased to 29 gourdes.

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Deputies Demand DEA Clarification on Drug Money Report

PA0305023195 Mexico City Radio ACIR Network in Spanish 0000 GMT 3 May 95

[Report by Hector Ramos from the "Evening News Panorama" newscast]

[FBIS Translated Text] While the Institutional Revolutionary Party [PRI] is denying that $40 million from the Cali Cartel was used in Ernesto Zedillo's presidential campaign, the PAN [National Action Party] has requested that the Mexican Government demand the U.S. Government provide an explanation from the DEA to determine who originated the report. In an interview, Ricardo Garcia Cervantes, PAN coordinator in the Chamber of Deputies, said such a report is unacceptable within the context of a normal relationship of fighting drug trafficking.

[Begin Garcia recording] We firmly support seeking a thorough investigation and clarification. Such a clarification might lead to a new relationship with the DEA, which apparently was unable to route its reports through the proper channels and instead issued the document to discredit our country. Also, we are concerned that an international agency such as this is discrediting a country that is struggling to be a respectable member of the international community. Such reports reflect irresponsibility. In addition, an international investigation is necessary to identify these DEA agents and academicians who have off-handedly made these charges. [end recording]

In addition, PRD [Party of the Democratic Revolution] deputies have demanded that the Attorney General's Office open an inquiry into the DEA report. Jesus Ortega, PRD coordinator in the Chamber of Deputies, said this demand has been presented to the Permanent Commission of Congress, because, he said, it is necessary to determine how deeply drug trafficking is rooted in the circles of power.

President Zedillo Presides Over Labor Day Ceremony

PA0205150095 Mexico City Radio ACIR Network in Spanish 0000 GMT 2 May 95

[Report by Rosy Ahuactzin Vazquez from the "Evening News Panorama" newscast]

[FBIS Translated Text] [Announcer Jose Cardenas] At the Railroad Worker Theater, indoors and behind almost closed doors, President Ernesto Zedillo clearly said the government by no means whatsoever will give up its labor responsibilities despite the economic crisis. He stressed his commitment to maintain and strengthen an active and honest alliance with the country's workers. He presided over the main ceremony commemorating Labor Day at the Railroad Worker Theater, stressing his government's commitment to earnestly and invariably respect unions' freedom and the autonomy of the workers organizations. Rosy Ahuactzin Vazquez was at the Railroad Worker Theater:

[Vazquez] We are fighting against crisis nowadays and will fight for growth tomorrow, always amid peace, unity, [word indistinct], and work. This remark is what President Zedillo said while presiding over the official Labor Day ceremonies. He urged Mexicans not to let themselves be influenced by those radical positions seeking to trigger divisions while taking advantage of the economic difficulties. He said there are no easy solutions and recognized that the first results of the adjustment process confirm to us that we have a clear economic path:

[Begin Zedillo recording] The Labor Congress and the organized labor movements know the crisis will be defeated only by instilling unity and making efforts. It is not by heightening and exacerbating conflicts that Mexico will come out stronger; it is not by taking advantage of the socioeconomic difficulties and [words indistinct] particular political interests Mexico will become fairer. Mexico will not become more prosperous by radicalizing attitudes and attempting to polarize groups and sectors. A strong, fair, and prosperous Mexico requires us to guide our efforts to, first, overcome the crisis and immediately achieve a sustained growth. [end recording]

[Vazquez] At the Railroad Worker Theater, which has a capacity for only 2,100 people, the head of state said the government is not giving up its responsibilities toward workers. He said he would appreciate it if they do not exacerbate the labor conflicts. They were the first ones to take a solidary and calm attitude when the crisis worsened.

The entire cabinet was seated at the main table. Only Foreign Relations Secretary Jose Angel Gurria was absent. Fidel Velasquez remained awake during the approximately 50 minutes the event lasted. The old leader, who is 95 years old, had a privilege. He was the only one who was seated in a more comfortable chair made of fur and wood. The remaining officials, including Zedillo, sat in blue vinyl and chrome chairs.

The president of the republic twice insisted that we must strengthen the alliance struck with the labor movement, must achieve the economic growth that will be the best support for a fit political development without ill will, divisions, or violence and based on democracy.

Two members of the Labor Congress, namely, Vice President (Victor Felix) and (Rafael Riva Palacio Punzonez), also delivered speeches. More than [words indistinct] from the group he represents expressed their support for the policies already implemented and recriminated the belligerent attitude assumed by the labor organizations that have nothing to do with the Labor Congress.

In a subdued voice, Riva Palacio said we want fiscal reforms, an emergency job plan, and to be able to keep

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participating in politics through the PRI [Institutional Revolutionary Party]. We pledge to coexist with the business sector, because we do not believe in confrontations. Let us listen to Riva Palacio:

[Begin Riva Palacio recording] It is up to [words indistinct] workers that businesses cooperate, that the [words indistinct], and that the exploitation of our resources be increased. [Words indistinct] reciprocity. We demand respect for the rights and benefits workers obtained with great efforts, collective hirings, and the unions' freedom. We are clearly aware the productive modernization process introduced changes in the [words indistinct] labor organization. [end recording]

[Vazquez] Jose, this is how the event took place, indoors for the first time. There were few workers at the Explanada later. Approximately 200 people, contained by metallic fences, met there. President Zedillo greeted some of them when he was going back to Los Pinos Presidential Residence. This is how Labor Day was celebrated here.

PAN Criticizes PRD's Decision To Leave Political Dialogue

PA2904041295 Mexico City Radio ACIR Network in Spanish 0000 GMT 28 Apr 95

[Report by Rosy Ahuactzin Vazquez from the "Evening News Panorama" newscast]

[FBIS Translated Text] The National Action Party harshly criticized the PRD's [Party of the Democratic Revolution] decision to abandon the political dialogue. Rosy Ahuactzin Vazquez has today's statements by PAN [National Action Party] Secretary General Felipe Calderon Hinojosa. Good afternoon, Rosy.

[Ahuactzin] As far as PAN is concerned, the PRD's arguments on withdrawing from this national, political dialogue are not valid. PAN says that the PRD's posture is radical and that it has no right to condition a democratic struggle. According to the white and blue party, as expressed by Felipe Calderon Hinojosa, secretary general of PAN's executive committee, this time is not the first the PRD followers have walked away from the negotiations table, and he guessed this will not be the last time they return to it. Calderon Hinojosa warned that this political dialogue should continue with or without the PRD and that this will only be achieved in a civilized manner, without shouts, marches, or loud remarks.

Calderon Hinojosa said that PAN is not a privileged party with the government but that it acted with maturity and scheduled an appointment with the president here at Los Pinos. He recalled that the PRD has done likewise, proof of which is that they were the first to meet with President Zedillo once he took office. Let us listen to Felipe Calderon Hinojosa:

[Begin Calderon Hinojosa recording] There are two PRD members, beginning with their coordinator, who can and probably have the opportunity for a frank dialogue. I cannot see why the dialogue should be canceled due to confrontation, breakups, or shouts.

It seems to me that in order to hold a dialogue, there always has to be a prior agreement on when and how it is to be held. Dialogues are not started by shouting or bickering. You cannot get an immediate meeting without a previous appointment with this or any president of the republic. This manner is not the right way to go about things, and, of course, this is what prompted their not even being allowed to enter. [end recording]

[Ahuactzin] The PAN Executive Committee secretary general added that democratic channels cannot be subjected to unreasonable conditioning and that any self-respecting party cannot submit to intolerance or [word indistinct] open to authoritarianism.

Lastly, Felipe Calderon Hinojosa called the PRD to reconsider and return to dialogue, because in it, he said, is its strength as a political force. He also recalled that the two-party system in Mexico, which is criticized by PRD members, is not decided by the parties but, rather, by the electorate, the citizens who vote in the elections.

PRI Leader Appeals to PRD To Return to Negotiations Table

PA3004014895 Mexico City Radio ACIR Network in Spanish 0000 GMT 28 Apr 95

[Report by Juan Carlos Escobedo from Merida, Yucatan; from the "Evening Information Review" newscast—passages within quotation marks recorded]

[FBIS Translated Text] [Escobedo] As part of her tour of Yucatan state this morning, Maria de los Angeles Moreno appealed to the Party of the Democratic Revolution [PRD] to return to the negotiations table on state reforms. At the same time, six state PRI leadership committees in the southeastern region agreed on the joint defense of the triumphs to be obtained in Yucatan this coming 28 May.

For the second consecutive day, the PRI leader concentrated her efforts in Merida on support for her party candidates. Following a meeting with female PRI members, she commented on the decision made by the PRD leadership to leave the dialogue. She said the parties are obligated to strengthen plurality in the country. Moreno appealed to the PRD to reconsider its decision and affirmed the PRI's willingness to consolidate democracy. Maria de los Angeles Moreno said Mexico needs a serious, left-wing policy and not one that deals blows and attacks:

[De los Angeles] "I regret the fact they are doing so. I hope they will reconsider their position. I believe Mexico needs various options for the people. It needs real, solid proposals, not just attacks and blows. I believe we need a serious, leftist party that can have a program that will be convincing enough to sway groups of citizens to opt for different positions."

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On this same topic, we just learned that Maria de los Angeles Moreno is traveling to Mexico City, where she will meet in the national PRI headquarters with members of the parliamentary factions of the Senate, the Chamber of Deputies, and the Chamber of Representatives. They are going to formally establish the PRI position regarding the PRD's departure from the negotiations table.

She already told us of her party's position. Later, there will be an unprecedented event, at least here in Yucatan. The representatives of the board of directors of the PRI in Oaxaca, Quintana Roo, Chiapas, Campeche, Tabasco, and Yucatan have met to state their support for Victor Cervera Pacheco. Others, such as Nicolas Cabal, leader of the PRI in Tabasco, have pledged to defend the PRI vote and to end the campaign of discredit against their candidates. Cabal said a political border must be established against unreasonable positions. He urged an end to the subculture of fraud:

[Cabal] "We will not permit Yucatan's sovereignty being taken hostage, permitting blackmail, illegal pressures, and extortions to undermine the rights of the people who want to express their will at the polls this coming 28 May."

At the same event, Maria de los Angeles stated the need to invite the party directors to reflect on the so-called punishment vote. The PRI leader said the punishment vote is one of self-punishment for the people, because, in reality, the offer by the opposition contradicts this action:

[Moreno] "We must stress to our citizens the significance of the punishment vote, which contravenes the citizens themselves. They are confronted with the reality of what exists as opposed to what is said, and that is where a sense of self-punishment emerges."

PRI Deputies Visit President, Reject Alliance With PAN

PA0105205195 Mexico City LA JORNADA in Spanish 28 Apr 95 p 3

[Report by Ricardo Aleman Aleman and Oscar Camacho Guzman]

[FBIS Translated Text] Yesterday, a group of PRI [Institutional Revolutionary Party] deputies visited Los Pinos Presidential Palace. They were not received by President Ernesto Zedillo, but by Liebano Saenz, whom they asked to pass on to the executive that he should, in support of a true reform of the state, "put an end" to the alliance with the National Action Party [PAN].

Concerned over the growing interference by the PAN in government decisions and the fact that the PRI and other parties have been cast out, the disgruntled PRI members told Zedillo's personal secretary that the executive should consider all the political forces for a genuine democratic convergence.

Neither the PRD [Party of the Democratic Revolution] nor any other political force can be "excluded," but the government cannot continue advancing "with allies that have been historically antagonistic to the PRI's original objectives. Change cannot occur without one of the major political forces or by confronting it," PRI members told Saenz.

PRI legislators, including Jaime Martinez Veloz, Jose Carmen Soto Correa, and Cesar Raul Ojeda, conditioned their approval of the bill on the Regulatory Law of Article 27 to the inclusion of the democratic reform of the state in the special session slated for May.

It was learned from various legislative sources that as a result of the visit made by PRI deputies to Los Pinos, the executive has allegedly established contacts with different PRD organizations to hold a meeting next Sunday.

Yesterday, prior to the approval of the reform of the Regulatory Law of Article 27, the PRI legislators who tried to meet with Zedillo and others who subsequently voiced their support for the initial concern, disclosed a statement on the dais. Jaime Martinez Veloz, Cesar Raul Ojeda, Lidia Zarranzaga, Antonio Martinez Torres, Humberto Lopez, Humberto Meza, Ricardo Padilla, Manuel Jimenez, Yolanda Gonzalez, Francisco Perera, Miguel Angel Islas, Jorge Castillo and Walter Leon signed this document.

In the text, they say: "We support compliance with the commitments adopted by our party to strengthen the independence of the branches of the union and the role of the legislative branch in the treatment of legal initiatives, which implies assuming congress as the normal setting for the generation of political consensus within its jurisdiction."

By incorporating the democratic reform of the state in the slated special period, the PRI deputies state in the text: "We will have a starting point for a broad consultation in which we will fulfill the commitment adopted before the citizens by the PRI and by each one of the PRI militants who ran in the recent federal elections."

What for some of us was a "rebellion within the PRI," was actually a concern long expressed within the broad PRI sectors and which reached a crisis point in yesterday's session, in which the alliance between Zedillo's government and the PAN was harshly criticized.

As it was reported, PAN representatives came to Los Pinos last Tuesday and agreed with President Zedillo to hold a special session, despite the fact that Humberto Roque Villanueva, leader of the PRI deputies, had told his fellow party members that there would not be a special session.

As it is true that the number of disgruntled PRI legislators is low, it was learned that the public statement made by some of them is part of a strategy to prevent reprisals.

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General Cited on Army Activities in Guerrero State

PA3004023595 Mexico City LA JORNADA in Spanish 27 Apr 95 p 5

[Report by Jose Manuel Benitez]

[FBIS Translated Text] Chilpancingo, Gro. [Guerrero], 26 Apr—General Enrique Salgado Cordero, who is in charge of the 9th Military Region and who is commander of the 27th Military Zone quartered in Acapulco, has said that the activities the Mexican Army is carrying out in this state are limited to fighting drug trafficking and that the crimes committed in Guerrero have nothing to do with subversive actions.

The military officer was interviewed via telephone during the newscast of the parastate Guerrero Radio and Television (RTG). Journalists Arturo Solis Heredia and Leopoldo Ayala Guevara anchor the newscast.

The commander has said the Army has destroyed 26,202 poppy plants and 1,240 marijuana plants in Guerrero so far this year, adding the region where most plants were found is La Montana, where the topography and climate, which are similar in certain areas of the state, make the growth of drugs possible.

After saying Guerrero is one of the states that produces the most drugs, he said the Army's social tasks are not aimed at preventing the likely emergence of an armed group in the state, because that task has been carried out in the communities for years.

The presence of soldiers in the communities of the state is geared toward supporting and benefiting the poorest residents and fighting drug trafficking, not toward preventing the emergence of a guerrilla movement, Salgado has said.

Article Questions Role of Army Among Civilian Population

PA2904192795 Mexico City REFORMA in Spanish 27 Apr 95 p 9A

[Article by Enrique Canales: "Is the Army Advancing?"]

[FBIS Translated Text] Please do not think I am going to write about whether the Mexican Army advanced its tanks to within 10 blocks of San Andres, or into territory controlled by the National Mediation Commission [Conai] and the Zapatist National Liberation Army [EZLN]. That kind of advance does not worry me because it is equipment that anyone can move forward just as easily as backward. What's more, I am no strategist, and I would rather not read that sort of news.

I am referring to the Army's advances in what I believe to be its essential mission: protecting the integrity of our national territory. The best protection for our national territory is carried out on many fronts where our Army should advance much faster.

I cannot neglect the fact that a basic front is competitive military efficiency. On this front, the Army faces the same problems of any other federal entity: it needs to better manage its competitiveness, which in this case is military. In this area I confess my blindness, as I do not know if our Army is in fact more competitive, meaning if it knows how to kill better, swifter, or further than any other significant army it might face.

I do not know. In this new Mexican democracy, we the citizens should be more aware of the efficiency or effectiveness in this field. We should also discuss the size of the Army and how much we are willing to pay. The citizens of all other democratic countries do so.

Most of all, we should discuss the issue, because the Army is costing us a fortune. Perhaps in this new world order, there might be a better strategy for our national Army. I do not know.

For now, there is another matter regarding our Army that concerns me. I find it very vulnerable in acquiring a negative public image. I do believe it has improved its image, but I think we are still in a bad position. We are far too vulnerable on such a delicate front.

The people, and I mean all of the people, should cheer their army, however, there are those who like their army better than others. I do not know for sure how much we have advanced or retreated on this important front of national unity.

An army ought to be the armed wing of the people. It should never be the armed wing of the government. I do not know if our people believe ours is a national army of the people or of the government, but I would like to know. What do people in other countries feel about their armies?

Regarding the fight against drugs, electoral fraud, and Chiapas, I believe the Army is easily blamed for defending the government against the people. I admit that this is based on my impression, as I have no statistical information on which to base my feelings.

The police may well be in a worse position. Most of the people do not feel the police are protecting them but are protecting the authorities and their families instead. It would be very bad if statistics were to show that the police defend the authorities more than the people.

If that were the case, we might need to further professionalize all of our authorities and their policemen, giving greater priority to the budget than to the Army.

In Chiapas, however, the Army has sought to change its image by distributing food, being friendly to children, and providing medical care, vaccinations, and dental work. In any event, I have doubts, because it has been more or less easy for those of the Conai-EZLN, Oeneges, Civilian Societies, and members of the PRD [Party of the Democratic Revolution] to demand on behalf of the people an Army pullout. How is that? It is beginning to

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be viewed as normal if they ask for that on behalf of the people. That is cause for concern.

I believe, in part, that the Army itself has donned the best of government institutions instead of those of the people. I would like to know if the Army would rather have that big difference exist between the Army and the people so that the people will be afraid of the soldiers and respect them.

That would be a mistake. If there were a need to protect the people, I would send the soldiers to that town, to live and coexist with the families and among the people of the towns where they were born.

I would ease up on the stern military discipline, giving way to decentralization and much more integration with the people so the people themselves can feel they are truly being defended.

I don't know, because I don't have statistics, but an Army must not be feared by the people. By definition of a democratic situation, the order people desire is not the order imposed by arms.

That gap between the people and the Army—and I'm not sure it exists—is the gap that permits the appearance of another so-called army under the legitimacy that it belongs to the people, who have armed themselves to defend themselves. In Chiapas, do the people feel as if they are the army? How has the army made itself so similar to the civilian population?

For me, that is the front where I would like to see solid evidence that our Army is advancing.

Rubio Attacks Adjustment Policy 'Cost'

95CA0203A Mexico City REFORMA in Spanish 23 Apr 95 p 9A

[Commentary by Luis Rubio, political and economic reform advocate and director of the Center of Research for Development: "An Aimless Economy"]

[FBIS Translated Text] It would be hard to find a greater contradiction between what the economy requires, given the present context, and the actions the government is undertaking. The economic policy of the government at this time is a hodgepodge of policies, ideas, tools, and goals that are often mutually incompatible. Much worse still, it is not even clear what the final objective is. Along the way, and beyond the theoretical possibility that stabilization of the economy—a goal that is not insignificant in itself—may be achieved, the government is running the risk of rendering the indispensable economic recovery impossible. And—a much more serious matter—the government would appear to be making every effort to erect an imposing front for opposition by society as a whole.

Any effort to evaluate the current policy of the government would have to begin with a definition of the objectives that were supposed to be achieved. The people feel cheated and deceived by the crisis, and not only because the economy has collapsed, but also because there is no indication that the steps required to correct the current complex of problems are being taken. The point of departure would have to be a very simple one. The economy is not going to be revitalized unless the profound structural reforms that the previous government left pending, or chose not to carry out, are implemented.

The actions of the government would have to attack on three fronts simultaneously. First, they would have to bring about the rapid stabilization of the economy (with a return to inflation levels compatible with those of our trade partners). Second, they would have to eliminate all of the reasons for the inadequate level of productive investment in the country. And, finally, the government would need to be drastically altered, so as to cease to be a tool for the domination of society and the protection of private interests and to become the active sponsor of development, in the broadest sense of the word. What is in question is whether what the government is currently doing is moving closer to these three goals.

First of all, and over and above any other shortcoming, there is the general problem of the lack of a clearly defined path that is convincing and acceptable to the population at large. Whether the government likes it or not, the only issue that appears clear to the majority of observers is the stabilization program. Beyond that, there is an inexplicable void that is paralyzing everything and seems so full of contradictions that no one in his right mind sees it as acceptable, and therefore likely to lead to greater savings and investments. On this first point, there are two possible hypotheses. One is that the government has no idea what it wants to do in the economic sector beyond achieving stabilization. According to the other hypothesis, the government sees no benefit from or need for an explanation of what it is doing or why. What is most probable is that both hypotheses underlie the current complex of economic problems. As of the present, each of the tools that have been employed points to a different concept of what needs to be achieved, so that it is left to the citizens of Mexico to guess what end is being sought. If one lists the contradictions between the overly ambitious economic recovery goals and the extremely limited (and very often conflicting) actions pursued or contemplated, the result is beyond comprehension.

Following up the three general objectives that should be pursued, let us first examine what the government has done in an effort to stabilize the economy, the only aspect where what has been sought has seemed to be clear. The policy adopted to this end doubtless justifies the belief that the goal will be reached, and this may be the reason for the relative improvement in economic expectations, despite the objective reality in the production sector. The unanswered question is what the cost of achieving this objective will be. It is my impression that the high cost of the current adjustment will be that future recovery is rendered impossible, or at the least, made

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much more difficult. This is because nothing is being done about the basic problem, which has to do with the tremendous number of obstacles blocking the development of the economy and the realization of new productive investment projects.

Therefore, while it is indeed probable that stabilization of the economy will be achieved in the coming months, there is no reason at all to expect a similar result in the realm of economic recovery. The hindrances in this sector are endless, and nothing is being done about it. Worse still, much of what is theoretically working satisfactorily might well, in the end, paralyze the economy completely, and in an even more serious way than has already been seen in the past two or three years. As happened 12 years ago, the government has chosen to increase taxes and to reduce imports, rather than to reduce the vast government waste and to promote exports actively. Unless this formula is changed, the economy is simply not going to improve.

But the contradictions are not limited to the stabilization issue. Everyone will agree that what is urgently needed is to locate major sources of productive investments. The government approach to this task involves seeking out sources of domestic savings. This is praiseworthy, but absurd insofar as efficient use is not being made of the funds already available at the INFONAVIT [Institute of the National Fund for Workers' Housing], the IMSS [Mexican Social Security Institute], and the SAR [Retirement Savings System]. To try to extract further resources from society without making productive use of those in existence is nothing less than criminal, because the risk is not that there will be less growth, but that the productive plant will be killed. Moreover, raising tax rates is a better guarantee of tax evasion than of increased government income. By the same token, open and blatant rejection of foreign investment is not only absurd but incomprehensible in view of the fact that the TLC [Free Trade Agreement] offers a potentially inexhaustible source of foreign investment. No country has its future guaranteed, but to deny the existence of the tools available and the progress made due to irritation because they were the achievements of an earlier government is patently unnecessary, as well as suicidal.

Exports offer one of the most logical and speedily activated means of creating the resources for economic recovery, however, this has not prevented customs duties from being increased, nor has it prevented banks that presumably favor development and foreign trade from refusing to grant credit to exporters, or from charging them more than they charge their foreign competitors when they do grant them credit. The telephone system, an essential requirement for an export platform, not to mention a modern economy, continues to be primitive. However, the government has persisted, thus far, at least, in using long-distance rates as a source of income instead of viewing competition as a source of future wealth for everyone.

Instead of dealing with these problems one by one, the bureaucracy often adopts a ridiculous attitude, as the following case illustrates. It has just been announced in the Federal District that whatever is needed will be done to eliminate the red tape which allows it takes up to 18 months to complete the steps in organizing and establishing a business enterprise. The announced goal is to reduce the time required to one month. The problem is that one month is still 30 times as long as this process takes in the countries with which we compete. But if only it could be achieved, this would be excellent progress.

Beneath all of these shortcomings and contradictions lie the fundamental problems. One of them is the inability to recognize the challenge facing the country at this time—the need for the government to transform its very essence in order to become the great promoter of development. Instead of protecting the existing bureaucratic and political fiefs, the government's priority task should be to appeal to the people for their unlimited support, in order to redefine the basis for its actions. This would involve the destruction of the bureaucratic and political fiefs that are preventing legality and competition from prevailing, coordination of productive capacity with market availability, redefinition and implementation of the role and importance of education in the development of a competitive economy, creation of the institutional foundations for integral political development, creation of a framework of legality to protect and foster economic and political coexistence, and, basically, resolution of the growing problem of citizens' insecurity, once and for all.

The other basic problem is the absolute disregard of individual rights, including property rights, on the part of the government and the bureaucracy. The base efforts undertaken in recent months "to liquidate" the domestic debt represented nothing less than the virtual theft of the savings of the majority of the citizens of Mexico, in addition to the loss inherent in the devaluation itself. The expropriatory attitude involved in the taxation of repatriated capital is not only in clear contradiction with the need for savings and investments, but also constitutes a further affront to the citizenry, at a time when the government has little capital with the citizens to risk.

A venerable professor of political theory has said that when a society enters into crisis, the response of the people comes from their most basic instincts. The crisis currently affecting most of the Mexican people is economic in nature, regardless of its causes or possible synergistic aspects. According to the economists, the basic instincts that correspond to this type of crisis are fear and greed. Instead of recognizing this fundamental principle of group behavior, the government is attempting to ignore the problem or, in a more benevolent mood, to insist that there is no serious problem, doubtless based on a presumption that bureaucratic skills can change human nature. Thus after it finally became clear that no repeat of the vicious circle of learning the alphabet anew every six years would be necessary, we sank into a total lack of government definition, at least in the economic sphere.

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In one way or another, the proposals of the government fail to connect with the reality in the country or the perceptions of the citizens. To assume, therefore, that the economic situation is bound to improve is, in the best of cases, too risky a venture.

What is urgently needed, therefore, is the definition of a plain course of action that is consistent with the real situation in the country and with the aspirations of the Mexican people, so that the respect and support of the citizenry can be won. And this definition is needed immediately.

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Guatemala

Military Court Orders Alpirez's Unconditional Release

PA0305042095 Guatemala City SIGLO VEINTIUNO in Spanish 2 May 95 p 3

[Report by Oneida Najarro]

[FBIS Translated Text] Colonel Julio Roberto Alpirez has been released unconditionally by the First Military Court of Retalhuleu Department, which was charged with clarifying the death of guerrilla Commander Efrain Bamaca Velasquez.

According to the court, the inquries conducted at the request of the authorities failed to prove Alpirez's guilt, and, consequently, he deserves to be released unconditionally. The evidence includes statements by former guerrilla Santiago Cabrera, who allegedly witnessed the torture of Bamaca, as well as statements by military commanders stationed in zones and bases in which Cabrera claimed Bamaca, alias Commander Everardo, was detained.

The file includes two statements by Cabrera, both of which were affirmed by a lawyer but denied by his former companions within the Revolutionary Organization of the People in Arms, who, together with Cabrera, reportedly were captured by the Army but later released.

At the request of the Attorney General's Office, Alpirez was interrogated along with other officers accused by Cabrera. The legal standing of some of the officers, all of whom were being held under the same conditions as the colonel, is still pending.

At the Appeals Room in Retalhuleu, it was determined that the Bamaca file is still undergoing processing because of an appeal filed by the Attorney General's Office opposing the Military Court's decision, although the parties connected with the case apparently have already been notified of the ruling.

Speaking in the United States, former guerrilla Cabrera claimed he met with Bamaca in Military Zone 18 in San Marcos. Cabrera said he saw Bamaca half-naked, blindfolded, and with his arms and legs bound. Col. Alpirez was the officer in charge at the base.

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Argentina

Di Tella: Iran Ties To Remain Unchanged for 'Time Being'

PY0305014795 Buenos Aires TELAM in Spanish 0004 GMT 3 May 95

[FBIS Translated Text] Buenos Aires, 2 May (TELAM)--Foreign Minister Guido Di Tella said tonight that for the time being, Argentina's links with Iran will not be modified, and he confirmed the request for a report from the United States on whether there are any new motives that justify sanctions against that country.

"There will be no modifications in the diplomatic and trade relations between Argentina and Iran, which have been decreased to a bare minimum," Di Tella emphasized.

The foreign minister said that in Argentina there is "an extreme concern about the clearing up of the attacks against the Israeli Embassy and the AMIA" [Argentine-Israeli Mutual Association], and he added that there are no new motives that certify Iran's link with the terrorist attacks that left 115 dead and at least 500 wounded.

The minister indicated that the U.S. Government has been asked, through the Argentine Embassy in Washington, for a report on the existence of new details concerning the terrorist attacks that were carried out in the country, "although we are not expecting any new information," he said.

Di Tella gave a news conference tonight at the Foreign Ministry, where he reiterated that for the time being there will be no modification in the relations between Argentina and Iran, but a request had been made "to the United States for a report on whether there are any new details that justify sanctions against that country."

Within this context, the foreign minister pointed out that "the United States is a trustworthy and friendly country that has adopted a very severe measure," such as the economic embargo that was ordered on 30 April by the Clinton administration.

He believes that the United States adopted that extreme decision "as a response to the accumulation of data and based on analysis of reports that are already known."

The minister further believes that the measure was also adopted due to the political pressure applied by sectors of the Republican Party on the U.S. Government.

"The United States is also concerned with Iran's capability to produce nuclear weapons," but the Argentine Government "suspended the sale to Iran of sensitive materiel that could be used for military purposes two years ago," Di Tella said.

Di Tella mentioned "the increase in the international price of oil" as one of the immediate consequences of the U.S. embargo, and the fact that this will favor exporting countries.

Executive's Decree Triggers 'Strong Reaction' in Congress

PY0205161295 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1105 GMT 28 Apr 95

[FBIS Translated Text] Buenos Aires, 28 Apr (NA)—The executive branch's decision to regulate the GATT agreement by decree has elicited a strong reaction from lawmakers from different blocs. Consultations are currently being held, as Congress intends to override the president's veto [of the patents bill] by a two-thirds majority of both chambers.

The decree President Carlos Menem signed on the evening of 26 April will temporarily replace the patents bill enacted by Congress.

Raul Galvan, the Radical Civic Union [UCR] bloc leader in the Chamber of Deputies, stated that the president's decision to rule by decree "gives rise to a conflict between two branches of government, which has serious institutional implications, as Menem is taking for himself powers that are vested exclusively in Congress."

Galvan pointed out: "We, the UCR congressmen, will insist on having the originally enacted [patents] bill prevail, and we will use all the legal recourses provided for in the Constitution to prevent situations like this from occurring in Argentina."

UCR Deputy Jose Gabriel Dumon announced that his party "will promote the impeachment of the president for violating the law."

Dumon said that "according to the Constitution, it is Congress, rather than the president, that is empowered" to regulate an international treaty by decree.

Socialist Party Deputy Hector Polino promised to insist on his request to impeach the head of state for his "reiterated encroachment upon the powers and duties of the legislative branch."

Polino said that by issuing a decree on patents for pharmaceutical products, the president just "bowed—from a moral and political standpoint—to the pressure of foreign pharmaceutical companies and of U.S. Ambassador" James Cheek.

The Socialist deputy introduced a bill proposing the abrogation of the presidential decree and urging his colleagues "to reach a consensus to override the president's veto."

While making it clear that "my bloc has not yet voiced its official position on the presidential decree," Justicialist Party [PJ] Deputy Juan Manuel Valcarcel said he was in favor of overriding the president's veto, as he deemed that "those would be the most appropriate rules of the game."

Valcarcel added that he had expected a different decision from the executive branch, which "should have resorted to other solutions contemplated in the Constitution."

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UCR Deputy Angel Dambrosio asserted that his bloc would unanimously support the original version of the patents bill, which was "objected to" by the president. "We have been brought to our knees by U.S. pressure," he underscored.

Dambrosio criticized Foreign Minister Guido Di Tella and Economy Minister Domingo Cavallo, noting that "they hold more extreme views than the colonial powers, meekly submitting to a total alignment that already shows signs of suffocation."

Juan Gonzalez Gaviola, from the Front for a Country in Solidarity, said: "We are witnessing further proof of our subservience to the United States." He termed the government's attitude "intolerable" because "once again, it bypassed an act of Congress."

Gonzalez Gaviola called upon "the political community to act with responsibility" to override the president's veto, adding that "our bloc is united, and resolved to guarantee the necessary two-thirds."

The executive branch "objected to" the patents bill in several aspects, particularly those pertaining to the fact that pharmaceutical companies will only start paying royalties once the law comes into force in 2003, and to the obligation that patent medicines have to be manufactured in the country. The bill was then remitted to Congress once again, and is at present under debate in the Senate.

Justicialist Senator Ricardo Branda opposed the presidential decree, saying that the regulation of GATT's chapter on patents "should be done through an act of Congress."

Like [Senate Provisional President] Eduardo Menem, Branda announced that the Senate may insist on overriding the president's veto by mustering the support of the two-thirds. He added that once this is achieved, "the decree regulating the treaty will become null and void."

Branda defended the bill passed by Congress on 30 March, pointing out that the executive branch "could also have adapted the text of the original bill through the decree" it issued.

Despite the objections voiced to the government's position, Branda said that the PJ bloc would not contribute to forming a quorum for the special session convened by the UCR.

UCR senators had announced their decision to convene a session on 2 May to reject the executive's decree and insist on an interpellation of Minister Cavallo.

Jose Genoud, UCR bloc leader in the Senate, labelled the decree "an institutional abuse," adding that the executive "slapped Congress in the face, because they enacted the legislation by a nearly unanimous vote."

Genoud stated that the executive's decree "goes against Article 75 of the Constitution, which stipulates that Congress is vested with the power to regulate all commercial treaties and make laws pertaining to international trade."

Lastly, Corrientes Autonomous Party Senator Jose Antonio Romero Feris said: "The executive branch once again ridiculed the national Congress," and added that "besides being untimely and vague" the decree "clearly shows the executive's unswerving pride and disparaging attitude."

Correspondent Notes Unrest Within Chilean Armed Forces

PY0205205595 Buenos Aires LA NACION in Spanish 28 Apr 95 p 3

[Report by Federico Quilodran]

[FBIS Translated Text] Santiago—The imminent and final court ruling on the assassination of former leftist Foreign Minister Orlando Letelier in Washington 17 years ago has created a heated climate in Santiago. The situation has deteriorated since the military made public its concern and annoyance over the future of General Manuel Contreras, former chief of the Chilean secret police.

Official sources said the government has shown caution and seems concerned because there is a possibility that General Pinochet may not accept Contreras' sentence, or that he may demand that his subordinate not be sent to the special jail for military officers that is being built near Santiago.

The recent statement by General Martin Balza, the Argentine Army chief of staff, is unthinkable among Chilean officers; just the mention of it provokes irritation.

The Supreme Court will deliver a final ruling on the case in the next few weeks. The decision comes 17 years after a trial for the assassination of Letelier and his U.S. assistant Ronni Moffitt. It will determine if Contreras and Brigadier Pedro Espinoza, his lieutenant in Augusto Pinochet's secret police, will be imprisoned or will enjoy a supervised freedom.

A third alternative—acquittal—seems to have been totally ruled out, even by the defense lawyers of Contreras and Espinoza, who requested a psycho-social report on which to base a petition for supervised freedom. The report, however, was negative.

Pinochet admitted this week that the Army is "concerned" over the situation of Contreras, who was Pinochet's close assistant during the first stages of his long regime.

The old military chief, 79, has refused to say if his institution will abide by the Supreme Court resolution.

If the Supreme Court confirms the lower court decision of Judge Adolfo Banados, sentencing Contreras and

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Espinoza to seven and six years imprisonment, respectively, both generals will go to jail.

In the past few days Pinochet has looked annoyed over what he said is political pressure on the Supreme Court to jail Contreras.

The ruling coalition wants the two officers be sent to jail. The government, a little more cautiously, has only said it hopes justice will be done. Leftists see the trial as "symbolic" because a decision against Contreras is a decision against Pinochet's military regime itself.

There have been repeated expressions of military concern and a similar number of high level military meetings.

A meeting of 145 chiefs of military units from around the country, which should have lasted until tomorrow, was suspended by Pinochet for "service reasons." Those who attended have been sent back to their barracks.

Pinochet has expressed his annoyance in "subtle" ways since he stepped down from power in March 1990. In December of that year—irritated by an investigation into the abuse of power and the trial of his son who received $3 million from the Army for a bankrupt arms factory—he ordered a self-confinement to barracks.

The demonstration was euphemistically called "liaison exercises."

Official spokesman Jose Joaquin Brunner ruled out the possibility that his Chilean counterparts might follow General Martin Balza's example and confess. He said the two situations cannot be compared.

The Chilean military has refused to acknowledge that they committed excesses, while Pinochet and other Armed Forces chiefs flatly rejected a report by an investigating committee appointed by former President Patricio Aylwin that was made public in March 1991.

Menem: Navy, Air Force To Follow Suit in Self-Criticism

PY0205202695 Buenos Aires TELAM in Spanish 1622 GMT 2 May 95

[FBIS Translated Text] Santa Rosa, 2 May (TELAM)—President Carlos Menem noted today that General Martin Balza's recent message on the anti-subversive struggle responded to a presidential directive that "would also be followed by the Air Force and Navy chiefs of staff."

Menem held a news conference at the Club Estudiantes in Santa Rosa [in La Pampa Province]. During his news conference, Menem also emphasized: "It is necessary for those who produced violence to voice their 'mea culpa.'" Menem was referring to the leaders of guerrilla organizations of the 1970's.

Air Force Chief Refuses To Engage in Self-Criticism

PY0205171595 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2036 GMT 1 May 95

[FBIS Translated Text] Buenos Aires, 1 May (NA)—On 1 May Air Force Chief of Staff Juan Paulik stated that during the so-called dirty war, "atrocities were committed by both parties." He refused, however, to engage in self-criticism on behalf of the Air Force concerning their actions during the last dictatorship.

Paulik said that one could feel sympathetic toward the families of the persons who went missing during the time of the illegal repression, but that their grief cannot be overcome "through earthly solutions."

He told Radio del Plata that "I sympathize with that terrible feeling of grief, which can only be allayed with time and the religious beliefs of the person affected, but I do not think that any other solution will help to overcome it, because it is not an earthly problem."

Paulik was of the opinion that "Argentines should never stop looking back at their past." He invited citizens to "imitate the good things, and engrave the bad ones on their minds" so as never again to "fall into that kind of chaos between fellow countrymen."

The Air Force chief of staff thus declined to engage in self- criticism similar to that performed last week by General Martin Balza, the Army chief of staff, concerning the role of his branch during the "National Reorganization Process."

In a brief address to the nation Gen. Balza acknowledged the use of torture and the commission of crimes on the part of military personnel, resulting in thousands of disappearances—9,000 according to official figures, and 30,000 according to the registers of human rights organizations.

Paulik's remarks jarred with the forecast made by Defense Minister Oscar Camilion, who some days ago indicated that the self-criticism by the Navy and the Air Force "should not be very different from the Army's thoughts."

To that effect the defense minister had suggested that a good opportunity for performing self-criticism would be the dates commemorating the founding of each of the three branches of the Armed Forces, which coincidentally all take place in May.

It was thought that the Air Force would issue a statement on 3 May, during the ceremonies to be held for the observance of the baptism of fire in the Malvinas Islands in 1982, whereas the Navy would do this on 19 May, on the observance of the battle of Vuelta de Obligado [of November 1845].

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Government Releases Details of Five-Year Plan

PY0205171095 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2023 GMT 1 May 95

[FBIS Translated Text] Buenos Aires, 1 May (NA)—The five-year plan that President Carlos Menem announced today is an attempt to provide solutions to the problems of employment, health, education, housing, and the lack of public utility services for population groups that were badly hit by successive adjustment programs during the past decades.

The plan includes the following points:

—investments of 86.733 billion pesos over the next five years;
—creation of 330,000 new jobs per year, that is, more than 1.5 million new jobs over the five-year period;
—the state, provinces, municipalities, and privatized public companies will contribute to financing the plan;
—privatized public companies and companies operating under franchise will contribute 32.815 billion pesos;
—over 2 billion pesos will be invested in creating jobs and training programs;
—of total investments, over 27 billion, or 36 percent, will be used to solve the needs of the poorest groups;
—9.5 billion pesos will be used in home construction and urban development;
—11.5 billion pesos will be used to improve 14,700 km of roads around the country;
—in the judicial area, the plan anticipates the constructions of over 148,000 square meters of new building areas in civil, commercial, labor, and federal courts;
—the plan contemplates the construction of a pediatric hospital in Cordoba and intensive care hospitals in Resistencia, Neuquen, and Salta;
—in the area of nutrition, the plan contemplates the launching of a Mother-Children Program (Promin), and the enlargement and equipping of 40 hospitals, 682 health centers, 395 kindergartens, and 312 school dinning rooms;
—in the area of education and culture, the plan contemplates the elimination of vulnerable schools with the construction of 13 [as received] new classrooms; and the schools' installed capacity will be increased by 20 percent with the construction of an additional 27,000 classrooms;
—in the area of drinking water, the goal is to cover 80 percent of greater Buenos Aires by 1999. In the area of sewage, the plan will attempt to cover 52 percent of greater Buenos Aires by 1999. The plan contemplates the building of the Lago Muster-Comodoro Rivadavia aqueduct, which will benefit 150,000 inhabitants in the area. The government will launch the Water Social Plan, which will have special significance in rural areas. The plan provides for the construction of the Bermejo River channel, and includes a program of drinking water and sewage disposal for the Federal Capital and greater Buenos Aires;
—in the area of electricity, the goal is to increase the installed capacity by 37.4 percent;
—in the area of gas, the plan contemplates the construction of three new gas pipelines to link productive zones in Tierra del Fuego, Neuquen, and Mendoza and to increase production levels by 15 million cubic meters per day;
—in the area of the Pymes [Small and Medium-Sized Enterprises], the plan contemplates the launching of a three-year program to help and develop small and medium-sized enterprises with different lines of credit at bonus rates;
—in the area of security, the plan contemplates the elimination of existing prisons in Caceros and Devoto and Unit 16, and the construction of new federal prisons in Ezeiza, Mar del Plata, and Marcos Paz, in Buenos Aires Province, as well as units in Salta, Misiones, Mendoza, and Santa Fe to replace them;
—in the area of communications, the plan includes the launching of two new satellites and the extension of the telephone network;
—and in the area of ecology and the environment, the plan contemplates the cleanup of the Matanza and Riachuelo Rivers.

Opposition Candidates Term Five-Year Plan 'Hardly Credible'

PY0205171695 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2039 GMT 1 May 95

[FBIS Translated Text] Buenos Aires, 1 May (NA)—Radical Civic Union presidential candidate Horacio Massaccesi and Frepaso [Front for a Country in Solidarity] presidential candidate Jose Octavio Bordon today criticized the five-year plan announced by President Carlos Menem. They termed the head of state's initiative to create more than 1.5 million jobs "hardly credible."

Massaccesi stated that the ruling party's proposal for a possible second Justicialist term is "the 1995 version of the productive revolution and major wage hike"—premises that constituted the centerpiece of the PJ [Justicialist Party] election campaign in 1989.

Massaccesi underscored: "Nobody can seriously believe or think that a government that could not defend the interests of the country on a subject like the patents bill will be able to solve the problem of unemployment."

Massaccesi criticized the investment plan for public works and infrastructure that Menem announced in a news conference held at the La Barra leisure complex in the city of San Nicolas, within the framework of a campaign cavalcade through various cities in Buenos Aires Province.

Bordon, for his part, pointed out that the announcement of a five-year plan when presidential elections are only 13 days away is "hardly credible." He stated that "Menem's promise to reduce unemployment from 12 to 4 percent is also hardly credible."

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Bordon emphasized: "As of today, they are going to promise to do everything that they have not yet done, and they are going to tell walloping lies like the one about a significant wage hike."

Bordon rejected the proposal that the ruling party announced while canvassing the cities of Zarate, Campana, San Pedro, Baradero, and Pergamino.

Polls Indicate Frepaso's Bordon Closing In on Menem

PY0205221795 Madrid EFE in Spanish 1508 GMT 2 May 95

[FBIS Translated Text] Buenos Aires, 2 May (EFE)—According to the latest polls, Senator Jose Bordon, presidential candidate for the center-left leaning Front for a Country in Solidarity (Frepaso), now appears to be the main rival of President Carlos Menem, who is also a candidate, in the upcoming 14 May elections.

The Frepaso presidential candidate has been ranked second in 11 polls, and three of these polls indicate that Menem will have to seek reelection in a runoff.

All the polls place Rio Negro Province Governor Horacio Massaccesi, the candidate of the Radical Civic Union (UCR), in third place and very far behind the favorites. The UCR is the country's oldest political party and the main opposition force.

Menem has just announced public and private investment amounting to $87 billion up to the year 2000 in order to fight unemployment, while in a crossfire, Bordon and Massaccesi accuse each other of having an affinity with the government.

The president has admitted that unemployment, which reached the historical figure of 12.2 percent of the active population, is the main debt that his government still has to pay.

"Massaccesi is a photocopy of Menem," Carlos "Chaco" Alvarez, the Frepaso's vice presidential candidate, said just after Massaccesi accused Bordon of the same thing.

The UCR candidate also stressed that Bordon "envies" Economy Minister Domingo Cavallo, whose neoliberal adjustment program is criticized by the two opposition political forces.

The Buenos Aires media today point out that the "war of the polls" has displaced the discussion of government proposals, and the population has shown absolutely no interest in the campaigns of the political parties.

The main local newspapers highlight the fact that Menem's plan to deal with unemployment includes investments of some $27 billion that was scheduled for the privatization of public services in 1990 and 1992.

They also expressed their doubts about the state's capability with regard to obtaining the $10 billion per year that Menem has promised for public works programmed for the next 5 years.

Moreover, the commentators are of the opinion that Menem's plans will not be difficult to implement due to the fact that traditionally about 20 percent of the country's GDP, which amounts to some $228 billion, is always invested.

According to these figures, the public and private investment that has been announced by Menem amounts to some $17.4 billion per year, as compared to the $45.6 billion (20 percent of the GDP) that was invested during the past few years.

The observers agree that, with only 12 days remaining before the elections, the possibility of a runoff is alarming the political strategists of the Justicialist Party (Peronist), which is currently in power.

In accordance with the Constitution, which was revised in 1994, in order to obtain direct reelection, Menem needs 45 percent of the vote or 40 percent combined with a 10 percent lead over his main rival.

The most recent poll, which was carried out by the Brazilian company Sofres-Ibope, gives Menem at least a 10 percent lead over Bordon (41.6 percent versus 34.7 percent). These figures, together with those of two other polls, presuppose the holding of a runoff.

But of the eight private polls that have indicated the contrary, three give Menem more than 45 percent of the vote: Gallup, Rouvier, and Aurelio.

Jose Bordon, 49, a sociologist who abandoned the Justicialist Party in 1994, has stated that "there will be a runoff; therefore, there are only a few days left for Menem to leave."

Menem's aides accuse Bordon, former governor of Mendoza Province (1987-91), of betraying his party and of being surrounded by Marxists, in reference to the Grand Front, which is part of the Frepaso coalition.

Meanwhile, Radical Horacio Masseccesi is struggling to gain position in the midst of the backlash caused by internal disputes the UCR has experienced over the past few months.

Commentators warn that the UCR, which is headed by former President Raul Alfonsin—from whom Menem assumed power—will suffer a serious crisis if the electoral predictions of the pollsters are confirmed.

Menem-Duhalde Strategy Seen

95SM0304A Buenos Aires CLARIN in Spanish 9 Apr 95 pp 18-19

[Commentary by Eduardo van der Kooy: "The Two of Us Are Sticking Together"]

[FBIS Translated Text] The election campaign has forced a change in one of the key relationships in the Menem administration.

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This does not seem to be the best time for Carlos Menem to openly restrain Eduardo Duhalde's political ambitions nor for the governor to draw basic contrasts between himself and the president in his obsessive desire to be the candidate in 1999.

Both have, out of necessity and convenience, decided on a truce until after May.

The votes that Menem needs in the Province of Buenos Aires could be decisive in avoiding a possible second round of balloting. Duhalde realizes that his political life or death depends on this. A stumble by the administration on 14 May would scuttle almost definitively his hopes of making it to the Casa Rosada.

The constitutional reform passed by Peronists and Radicals replaced the Electoral College system with the direct election of the president. This means more decisionmaking power for the country's five largest districts.

The capital, the Province of Buenos Aires, Cordoba, Santa Fe, and Mendoza account for more than 70 percent of the nationwide voter rolls.

In his bid for reelection the president is in at least a very close race in three of them. His chances for victory look very remote in the capital because all of the polls show that support for the ticket of Jose Octavio Bordon and Chacho Alvarez seems to have increased greatly. One reason, among other things, is the dispersion of Radical votes.

In Cordoba, although Menem seems to be holding his lead over Horacio Massaccesi, the historical weight of the Radical Civic Union (UCR) will create question marks until election day. In the best-case scenario Menem may win by a narrow margin.

In Mendoza, Menem and Bordon are reportedly neck and neck today. We will have to see how the alliance that the Peronist senator has put together there with UCR Senator Victor Fayad influences the home stretch of the campaign.

Therefore, only a big victory in Buenos Aires, where 37 percent of the country's voters reside, could save the administration from a second round of balloting.

According to the polls, the situation in the district is checkered in several ways that could change partially or completely right up until election day.

A firm 54 to 59 percent of the voters in the district intend to cast ballots for Duhalde, which means that his rivals, the UCR's Pascual Capelleri and the Front's Carlos Auyero, have almost no chance to win.

The polls show different numbers, however, in the case of the presidential candidates. No more than 35 percent of the voters in the Buenos Aires area prefer Menem, for example.

He is not doing much better in the interior of the province either, because the traditional UCR votes will presumably have some influence there.

Administration officials, especially those from Buenos Aires, assume that some of the Duhalde vote could go to Bordon as a presidential candidate. They do acknowledge something that is on their side, however: there tends to be a huge gap between the pre-election intentions that the polls reflect and what actually happens when voters mark their ballots in the booth.

Province leaders have also detected the possibility of secret agreements in Buenos Aires towns between ruling-party and Front officials. This is a risk factor that almost never emerged when Alvarez was the coalition's most visible face; it is presumably due to Bordon's still fresh identity as a Peronist.

This is why the administration's reaction in recent days sounded so categorical. Menem criticized Bordon and Alvarez at the Peronist congress on Thursday for having left the party, and the congress called for the immediate expulsion of members who are running on the slates of other parties.

The darts do not seem to have been aimed principally at the Front's ticket (although the reference was obvious); rather, the purpose seemed to be to stop any possible siphoning off of Menem votes due to the incipient common ground that has been discovered with the Front.

Duhalde's electoral strategy began to shift slowly at that point, dovetailing exactly with the one that Menem's politicians have charted. His most recent noteworthy gesture was his visit to the capital to combat the faction headed by Gustavo Beliz, whom he sees as a threat because of his close ties with Palito Ortega.

Afterwards, he allowed himself only a few minor gestures, such as objecting to the possible Tucuman gubernatorial candidacy of Evangelina Salazar or boasting in public debates with his provincial rivals that President Menem seemingly wants to shun the national level.

But he acted without ceremony when things heated up.

Duhalde pressured his deputies in Congress (and others) as soon as the administration urgently needed laws that would allow it to weather the initial impact here of the crisis in Mexico.

He had asserted in December that there would be neither wage cuts nor austerity programs in the province, as if to draw a contrast with the measures that Cavallo had ordered in this connection. In the end he wound up following the minister's lead.

All of this was not the most important thing, however.

He put an abrupt end to the indiscipline he observed among his own troops, convinced as he was of the usefulness of not giving the Menem people a breather

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even during the campaign, on which almost all of Peronism is staking its continued presence in power.

The Duhalde faction had designed a campaign to set itself apart from the central government, using one basic slogan: "Being from Buenos Aires is different."

When he realized that the Province of Buenos Aires was going to be decisive to Menem's reelection bid, and when Bordon became an unexpected presence on the political scene, Duhalde ordered a reversal of course.

On the same weekend that the Pan-American Games opened in Mar del Plata (11 March), the governor told his advisers of his decision. One week later, in Olavarria, he pushed his people to side with Menem: "You should know that those who have problems with Menem have problems with Duhalde and with the people of the province," he shouted to thousands of leaders from the district.

The tone of his message left no room for doubt, nor did his goal: that all people who vote for Duhalde should also back Menem for reelection.

The administration is not that certain, however, about how to cope with a juncture colored by the political campaign and economic complications. The secretary general, Eduardo Bauza, and the interior minister, Carlos Corach, still trust that a comeback by the UCR can halt the Front and wind up splitting the opposition in May. If this were to happen, the administration could truly ward off the danger of a second round.

Their hopes rise and they start making calculations at the slightest sign that the traditional opposition is emerging: for example, the nomination of Rodolfo Terragno as future coordinating minister if Massaccesi wins the election.

The maneuver could improve the UCR's electoral aim, but it would have been more helpful in this case if Eduardo Angeloz had appeared alongside the UCR candidate.

An offer was made to the Cordoba governor, but this time he rejected it with logical arguments: his province is in serious economic straits, and an appearance alongside Massaccesi, who is also broke in Rio Negro, would have been a tasty morsel for the campaign palate of the Front and perhaps the administration itself.

Duhalde, and seemingly vice presidential candidate Carlos Ruckauf too, are leaning toward a different approach.

They would like to polarize the election between the administration and the Front, by emphasizing Bordon's departure from Peronism and the coalition's difficulties in reconciling its public positions.

Duhalde himself has taken the lead. At every campaign event he uses harsh words ("deserters and traitors") to describe the Front's ticket.

But there are also feuding third parties in the administration. Domingo Cavallo's advisers are of the opinion that sooner or later the election campaign will have to come down to economic issues and that in this case Minister Cavallo's presence will be indispensable.

They recall the experience of the two previous campaigns.

The administration was successful in 1991 and 1993 above all because of the impact that stability and declining inflation had on society.

They think that as happened in April of last year during the constitutional balloting, the optimistic impressions that the administration is picking up in some but not all of its polls are unrelated to what the man in the street is feeling.

Menem's political teams disagree.

Cavallo's popularity has declined since the Mexico crisis, they say, and even more so now when labor conflicts seem to be the order of the day in Argentina.

The minister is also sticking his nose into every problem besetting the administration in a bid for the political limelight.

He is pushing for a veto of the Patent Medicine Law that Congress has passed, in keeping with pressure from the United States. He is angrily taking issue with journalists over the criticisms leveled at the chief of customs, Gustavo Parino, a confidant of his. And he is calling for resignations in the cabinet over the sale of arms that were diverted to Ecuador, a scandal that has hurt the administration and that could have future ramifications.

His attack on Oscar Camilion, like so many others, backfired, having merely riveted the defense minister more securely in his chair for the time being.

Several of the men close to Menem believe that Cavallo is bent on gaining further political ground before the election. Afterwards could be too late.

Amid so much turbulence and confusion, it would seem clear only that Menem and Duhalde will have to stick together until May if the ruling party does not want to suffer any nasty electoral blows.

Bolivia

Minister Confirms Release of 48 Banished People

PY0305004495 La Paz Radio Cadena Nacional Network in Spanish 2300 GMT 2 May 95

[FBIS Translated Text] Government Minister Carlos Sanchez Berzain said he is like a good boy fulfilling his promises. Between Saturday [as heard] and today, he has released 48 people who were banished to Colcha-k, San Joaquin, and Apolo.

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This complies with agreements reached with some sectors, among them mine workers and university students.

[Begin Sanchez Berzain recording] A total of 48 people have been released. On 30 April, 14 were released; two were released on 28 April; two more on 27 April, and today 30 people who were banished to Apolo were released. Of these 30 people, three are from Cochabamba, the release of which was achieved through the prefect of that town; 11 are from the Siglo Veinte University; and 16 are mine workers from Huanuni and Colquiri. [end recording]

An official report states there are only some 200 people yet to be released, among them top COB [Bolivian Labor Confederation] leader Oscar Salas Moya.

Sanchez Berzain said he expects the COB to fulfill its part of the act of understanding, and reinstate the climate of social peace.

Brazil

Minister: Budget Deficit Incompatible With Plan Adjustments

PY2804133495 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 28 Apr 95

[FBIS Translated Text] Planning Minister Jose Serra has admitted that the federal budget deficit during the first quarter of the year is really incompatible with the adjustments of the economic plan, however, within an annual budget context, the situation will be normalized.

Despite the cuts, the budget registered a deficit of 514 million reals during the first quarter of the year. Planning Minister Serra said that even this small figure is incompatible with the fiscal adjustment.

[Begin Serra recording] The deficit registered during the first quarter was very small. It was due to seasonal factors. This performance should not be repeated this year. Throughout the rest of the year we will register a positive balance. A deficit must be evaluated over the whole year, not just one or two months, however, the first quarter shows we must remain alert and not allow the government to spend more than what it has. The Fernando Henrique Cardoso administration will strictly respect this principle. [end recording]

The planning minister admitted that injustices were committed in cutting the 1995 federal budget, but that they were necessary for the fiscal balance.

President Cardoso Launches Weekly Radio Address

PY0205153595 Brasilia Radio Nacional da Amazonia Network in Portuguese 0902 GMT 2 May 95

[Address by President Fernando Henrique Cardoso from the program "Word from the President"—recorded; first in the weekly program aired over a voluntary radio network]

[FBIS Translated Text] During my presidential campaign, I used the radio to reach the plain people of our country. In those days I repeatedly said that the president cannot rule alone. I want to govern this country together with those of you who are listening to me now, and thus I will address you over the radio every Tuesday. What kind of talk will it be? It will be very simple. I will explain to you what the government is doing to correct what is wrong and to improve things in Brazil.

I also want to know about your problems, about the successful social projects you are implementing in your cities, about projects that could be applied elsewhere in Brazil. I also want to know about government projects that are not working properly. You can write to me.

As do you, I too want a better Brazil. I want better health care, better education, less poverty, more employment, no inflation, higher salaries. This is a big task, but I am sure that together we will be able to accomplish much of what Brazil needs.

We have proven that we can do it through the Real Plan. We defeated inflation, and this victory belongs to all Brazilians, who fought side by side with the administration to put an end to the madness of prices rising day after day. We must take good care of the real. Some other day we will talk more about this.

Now we can celebrate yet another victory: As of 1 May, the minimum wage is 100 reals, which is more than $100. This is one of the biggest hikes of the minimum wage in Brazil's history. The retirees and pensioners also received a hefty increase of over 40 percent. Pensions will be paid on time, and there will be no delays. As you can see, I want to improve the lot of the pensioners and retirees; they have already done a great deal for Brazil, and now they are entitled to rest and to receive an honorable pension.

Last week we had more good news: Congress is helping the administration to change this country. The committees of the Chamber of Deputies are already voting on some of the constitutional amendments that the administration has submitted. Better still, the committees are approving some of the amendments.

There is still a lot to discuss and much to vote on, but this is a good beginning. These amendments are very important for Brazil. Because of them there will be more investments, more employment, better salaries, and above all better justice. Thus, in the course of my future talks over the radio, we will focus on these amendments. I will explain each one of them in depth.

Before ending our first talk, I would like to tell you about a meeting I held on Friday last week. Together with several ministers we discussed for over four hours the goals of the administration's social program. Our main topic of discussion was children. Health Minister Adib Jatene reported on what could be done to curb infant

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mortality, and we have already launched a program aimed at drastically curbing infant mortality.

Education Minister Paulo Renato reported that the school breakfast program and the distribution of schoolbooks have been expanded to benefit all children. I was also happy to hear that the Education Ministry has already started training teachers over Educativa TV. Ever since my electoral campaign I have been saying that children are one of my administration's priorities. In our future talks, I will discuss our social programs. I will explain how you all can benefit from them, how you can improve your standards of living and those of your family. I will tell you about the things we are doing to build a better future for our children. Trust us.

Industry, Commerce Minister Reports Receiving 'Threats'

PY0205140895 Sao Paulo AGENCIA ESTADO in Portuguese 1332 GMT 2 May 95

[FBIS Translated Text] Brasilia, 2 May—Finance Minister Pedro Malan has just arrived at the office of the government leader in Congress. Industry, Commerce, and Tourism Minister Dorothea Werneck is also there. Asked why she was accompanied by Federal Police agents, Minister Werneck explained that she has been receiving threats. She did not say where the threats were coming from, adding that "one cannot manage state affairs to please everyone, and therefore those who are dissatisfied try to retaliate."

BC Establishes New Bank Regulations

95SM0289B Sao Paulo VEJA in Portuguese 12 Apr 95 p 96

[Article: "For Those Who Can"]

[FBIS Translated Text] Ever since the real made its debut in the Brazilian economy and inflation collapsed, the banks have had no peace. A good share of their profit was based on speculation in the financial market. Large banks have reduced their costs over the past few months to keep earnings at their accustomed level. Small banks and brokerage firms have been liquidated, sold, or simply shut down. After the 30th of this month, the scene in the Brazilian financial market will change even more. Taking effect on that date is a new regulation issued by the Central Bank [BC] that changes the formula for calculating assets and stipulates a minimum amount of capital that banks and brokerage firms must maintain in order to keep operating.

Beginning in May, a Brazilian citizen who wants to start a bank will have to have at least $7.9 million in his pocket. If he wants to get involved in real estate loans, he will have to come up with another $4.4 million. Every activity that he wants to add to his bank—such as making it a finance company or investment bank—will require more money. He will also have to prove that outside the new bank itself, he has assets equivalent to 120 percent of the money being invested if he is an individual or 220 percent if the founder of the bank is a legal entity.

The new regulations provide more security for Brazilians placing their money in the care of banks. With institutions possessing sufficient funds to cope with difficulties, the possibility of a collapse becomes more remote. But for many small banks operating in our country, the news was a disaster. Antonio Castro Filho of Rio de Janeiro, who owns the Criterium Bank in Rio, is one of them. The Criterium Bank has capital of $4 million, has no branches, and operates in the financial market by investing other people's money. "After 25 years of working in the financial market, I was able to start my own bank. Now I am in danger of losing it," Castro Filho complains.

There are 1,035 banks, finance companies, brokerage firms, securities brokers, and other similar institutions in Brazil. Many of them operate with less than half the minimum capital that is going to be required by the Central Bank. According to experts at the BC, 30 institutions need an injection of $2 million to keep operating. Of those 30, 10 are in an extremely difficult situation. "Those banks do not have to close their doors. They can be incorporated or merged into other, larger banks that are more solid," says Claudio Mauch, the BC's director of standards and the man responsible for the new rules.

Serra Defines Privatization Program Status

95SM0289A Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Apr 95 p B8

["Text" of document submitted by Minister of Planning Jose Serra at the annual meeting of the Inter-American Development Bank in Jerusalem on 5 April 1995: "Government Will Privatize 17 Firms This Year"; introductory paragraph in boldface as published]

[FBIS Translated Text] **During the annual meeting of the Inter-American Development Bank (IDB) in Jerusalem yesterday, Minister of Planning Jose Serra distributed a document presenting the Brazilian privatization program. He emphasized that 17 firms would be privatized between June and December and reported the results of the program to date. Here is the complete text of that document.**

1. Privatization Timetable for 1995

Seventeen companies will be privatized between June and December: 13 will be petrochemical companies, two will be electric companies, one will be a railroad company, and one will be a financial institution.

2. How Those Companies Will Be Privatized

The 13 petrochemical companies—the largest of which is Copene (Northeastern Petrochemical Company)—will be sold by auctioning their shares in Brazilian stock exchanges. (In the specific case of Copene, part of the

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capital will be reserved for employees and part will be offered to the public at fixed prices, this in addition to the shares sold by auction.)

The system used to sell Copene will also be used in the case of the two electricity distribution companies (Light [Power Services, Inc.] and Escelsa [Espirito Santo Power Plants, Inc.) and to privatize the Meridional Bank of Brazil.

The Federal Railroad Network, on the other hand, will not be privatized by the sale of shares; instead, we will use a lease system in which the lines and rolling stock (locomotives and cars) will be leased. For that purpose, the company will be broken up into six regional networks to be operated by the private sector. The private sector will not be responsible for any of the company's current liabilities.

Amount of Money Expected To Be Raised From 1995 Privatizations

It is expected that about $4 billion will be raised. That figure does not include the money that will be raised by leasing the railroad services. The figure of $4 billion may increase by as much as another $1 billion if the minority shareholdings retained, directly or indirectly, by the Federal Government in various private or even state-owned firms, are also sold. Since the shares in the largest of those companies are traded in Brazilian stock exchanges, the amount to be raised will be determined by the market price of those shares when they are sold.

4. Status of Brazilian Privatization Program

Unlike the situation in many other countries, state intervention in the Brazilian economy has not been limited to managing and supplying public services. In the past, Brazilian governments have invested in large companies producing basic products and capital goods. Because of that, the privatization program has focused on selling those companies as a priority matter. Many of the firms in question are large companies in the steel, petrochemical, and fertilizer industries, and they have constituted the majority of the privatized companies.

It is interesting to note that many East European countries have endorsed mass privatization programs in which concerns for revenues and the direct contribution of such funds to fiscal equilibrium have been subordinated to the wider goal of guaranteeing a rapid transition to a capitalist production system. In that context, many companies, mainly small and medium-sized firms, have been privatized using simplified evaluation methods.

In some Latin American countries, moreover, privatization initiatives began in sectors providing such services and products as electricity, telecommunications, financial services, and petroleum. Instead of that, Brazil launched its program by selling off industrial companies; there was much greater government participation in such companies in Brazil than in the neighboring countries.

So far, 33 companies and nine subsidiaries have been privatized in a little over three years—since October 1991. The amount of money realized has totaled $11.8 billion, an average of $282 million per privatized firm.

The steel and fertilizer industries have now been completely privatized, and it is expected that the same will be true of the petrochemical industry by the end of the year.

The rapid progress of the privatization program in Brazil is due not only to the large size of the companies to be sold but also to the government's desire to ensure the transparence of the scheduled operations. Each company is evaluated by two consortiums of hired consultants in a mediation process involving public offers, and all the companies are privatized by auctioning off shares in those companies. The auctions take place approximately two months after publication of the public offering.

Preparing the companies for privatization also requires a lot of time. For that reason, the highest decisionmaking body in the program was recently reorganized. It will no longer consist basically of representatives of the private sector. Instead, there will be a council of ministers, thus making it possible for the decisions made by that council to be carried out more quickly.

5. Government's Current Attitude Toward Privatization of Public Services

The Brazilian Government feels that one of the principal bottlenecks hampering sustained economic growth is the deficient supply of public utilities. The government recognizes that the state is incapable of providing the necessary funds for improving the situation on its own.

Because of that, the government is encouraging the private sector to participate in such activities, either through partnerships with the public sector or through a system of concessions, in which those services will be provided to the private sector by contract. We hope that the private sector will assume responsibility for services related to the generation of electricity and the management of ports, airports, and railroads, all of which are currently controlled by the Federal Government.

Brazil has constitutional restrictions on privatization of the telecommunication and petroleum sectors and on the control of natural resources by foreigners. On the other hand, the financial system in Brazil, unlike that in other Latin American countries, is predominantly private. There is only one federal bank in a position to be privatized, in addition to the banks controlled by state governments. The privatization of state banks is the responsibility of the state governments.

The administration has sent two major bills to Congress in which it is proposing constitutional amendments. The first seeks to eliminate the differentiated treatment accorded Brazilian companies and those controlled by foreign capital but located in Brazil. At the moment, the latter companies are not authorized to control activities involving the exploitation of natural resources. The

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second bill is aimed at loosening the monopoly established by the Constitution relative to the provision of telecommunication services and petroleum prospecting, both of which are now reserved for the Federal Government.

6. Role of Foreign Capital in Brazil's Privatization Program

Foreign investors have played a very modest role so far, being responsible for only 7 percent of the amount of money raised. There are three reasons for that situation: a) the majority of the privatized companies operate in markets which until recently were very depressed; b) Brazilian legislation on privatization had previously stipulated that purchases by foreigners of shares in companies being privatized were limited to 40 percent of the voting shares; and c) the face value of Brazilian foreign debt instruments was usually discounted 25 percent when converted to cash for for privatization purposes, whereas domestic debt instruments were accepted at face value.

The competitive strength of foreign capital has improved considerably since then, the improvement having begun when there was a change in the legislation governing privatizations. Brazilian legislation now allows foreign investors to own up to 100 percent of privatized companies provided that the constitutional restrictions applying to certain sectors are complied with. Moreover, since the negotiations on the Brazilian foreign debt were concluded at the end of 1993, creditors have been authorized to use a portion of Brazilian foreign debt instruments to buy shares in privatized companies with no discounting of the face value of such instruments.

In addition, President Fernando Henrique Cardoso recently authorized foreign capital to increase its participation in Brazil's financial system as part of the privatization of banks belonging to the state.

In any case, the best stimulus for participation by foreign capital is the economic stability achieved as a consequence of the Real Plan, which has resulted in the collapse of inflation and the resumption of growth, thus creating conditions favorable to productive investments.

In Line To Be Privatized

According to the BNDES [National Bank for Economic and Social Development], the following companies are next in line to be privatized [firm name followed by assets in dollars and percentage of shares owned by the Federal Government]: Escelsa (electricity): $1,053 million, 72.3; Light (electricity): $5,759 million, 81.6; Camacari Petrochemical Company (petrochemicals): $557 million, 20.1; Salgema [expansion not given] (chemicals): $686 million, 29.3; CQR [expansion not given] (chemicals): $163 million, 36.9; Copene (petrochemicals): $3,860 million, 36.1; Northeastern Styrene (petrochemicals): $142 million, 26.7; Nitrocarbono [expansion not given] (petrochemicals): $186 million, 19.0; Polibrasil [expansion not given] (petrochemicals): $123 million, 25.7; Polypropylene (petrochemicals): $99 million, 34.2; Poliderivados [expansion unknown] (petrochemicals): $75 million, 47.9; CBP [expansion unknown] (petrochemicals): $67 million, 23.7; Metanor [expansion unknown] (petrochemicals): $63 million, 18.4; Deten [expansion unknown] (petrochemicals): $179 million, 33.2; Pronor [expansion unknown] (petrochemicals): $329 million, 35.2; RFFSA [Federal Railroad System, Inc.] (railroads): $16,256 million, 98.5; and Meridional Bank (banking): $1,873, 82.4.

Editorial Views 'Irrationality' of Oklahoma Bomb Explosion

PY0305023095 Rio de Janeiro O GLOBO in Portuguese 2 May 95 p 6

[Editorial: "The Eclipse of Reason"]

[FBIS Translated Text] The van loaded with explosives that caused the blowing up of a federal administration building in Oklahoma City, the United States, last week has something in common with the poisonous gas disseminated in the Tokyo subway: They were two cases of pure terrorism that undermined the confidence of the two most developed societies in the world.

Terrorism has been unavoidable in recent history; it finds means by which to reappear after a period of relative calm. But in some way, from the stupid irrationality of terror we can deduce (or attempt to deduce) some sort of logic behind this or that attack. This is a manner of comforting the rational creature in us.

Bombs explode for this or that reason: Palestinians attempting to hammer their cause home and be felt in the conscience of the times; Irish attempting to prove for the hundredth time that the British must leave Ulster. Some years ago, radical leftist groups even attempted to accelerate what they considered would be the inevitable end of the "capitalist rottenness."

What has shocked the Americans more than the violence of the explosion in Oklahoma was verifying that there were no Muslim fanatics or international terrorists like the ones who planted the bomb in the World Trade Center behind the attack. Everything indicates that there were traces of old, truly American violence which now resorted to more frightening means of destruction: From the torches of the Ku Klux Klan and other fanatical white supremist organizations, they passed to the Beirut-style van loaded with explosives—something to which Americans are unaccustomed. And the attack had even greater impact for having taken place not in the great international centers of New York or Chicago, but in what has always been considered the "calm heartland" of America, an interior, provincial America still little affected by modern paranoia or sophistication.

The U.S. Government reacted immediately. The manner by which it discovered the clues leading to the probable criminals is, in and of itself, a lesson in good police

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techniques. The U.S. police are ready to combine patience with the most developed findings of investigative science. Japan has the same weapons for dealing with its own terrorists.

When one is confronted by pure terrorism, total irrationality, it is harder to prevent terrorist actions. The terrorist that emerges in Japan or in the United States is less predictable the more he is estranged from known patterns of political action. If the Japanese sect that used gas or the rightist fanatics of Oklahoma explain their objectives or their self-styled philosophy, the natural reaction would be to smile with pure commiseration. But extreme irrationality is what, for the time being, makes these groups doubly dangerous, because it is difficult to foresee what comes from deeply sick minds.

The Americans are now trying to find out what can be done to prevent catastrophes similar to that of Oklahoma. It is like looking for needle in a haystack.

What can always be done, and must be done, is to meditate on the factors of sickness and imbalance in contemporary society, because the sickness revealed in Tokyo and Oklahoma is a cultural sickness.

As cultural beings, we could say goodbye to rationalism, but this does not mean throwing away reason, losing sight of its meaning in everyday life and in the building of a viable future. As illustrated in a famous painting by Goya, "the dream of reason produces monsters."

Chile

Chilean, NAFTA Delegations Exchange Information in Santiago

PY0205170895 Santiago LA TERCERA DE LA HORA in Spanish 22 Apr 95 p 21

[FBIS Translated Text] The technical meeting between representatives of the three NAFTA member countries and Chile will be held in May, before the meeting of ministers agreed upon during the Miami summit. The meeting is designed to continue the exchange of information and to draft the agenda of the ministerial meeting scheduled for May.

The Chilean, Canadian, and U.S. delegations and a representative from Mexico met in Santiago on 19-20 April to begin exchanging information before the formal initiation of negotiations on Chile joining NAFTA.

The delegations were headed by Juan Gabriel Valdes, coordinator of the Chilean Finance Ministry negotiating team, Canadian group chief Keith Christie, U.S. delegation chief Jon Huenemann, and Hector Marquez, Mexican Commerce Secretariat general director.

They were briefed on the Chilean trade system regarding various matters included in the current agreement.

The Chilean delegation provided information on each of the topics, replied to consultations, and asked questions about the systems being implemented by the NAFTA member countries.

The delegations also exchanged questionnaires containing specific questions that will should be replied to in the upcoming weeks.

Growth of Protestant Churches Viewed

95SM0284A Santiago LA NACION in Spanish 14 Mar 95 p 11

[By Raul Madrid Meza]

[FBIS Translated Text] Every Sunday 15,000 worshipers crowd the more than 5,000 square meters of floor space in the Evangelical Cathedral of Santiago, located in the Central Station district of the city. This Protestant church—the largest in the nation—is finding it increasingly difficult to accommodate the followers of the Pentecostal Methodist Church of Chile.

The Pentecostal Methodist Church of Chile split off in 1909 [as published] from the Methodist Episcopal Church, which had been introduced into Chile by U.S. missionaries. The new denomination was founded that year in Valparaiso by 36 persons who were "inspired" by the Holy Spirit.

According to its own data, today—75 [as published] years later—the church has 1.8 million members and 5,125 churches throughout the nation. This makes it the largest evangelical church in Chile.

The church's public relations director, Eduardo Duran, says that its growth has been impressive. Whereas until 1993 it had grown at a rate of between 5 and 6 percent per year, the rate increased in 1994 to 9.4 percent, according to calculations made at the recent international conference held in Santiago.

But this boom [preceding word in English] is characteristic not solely of the Pentecostal Methodists but also of virtually all the Protestant denominations, such as the Pentecostal Evangelical Church, the second largest Protestant denomination in our country; the Methodist Church of Chile; the Evangelical Presbyterian Church; the Evangelical Lutheran Church; and the Anglican Church.

According to the 1992 census, these groups total 13.3 percent of the population over 15 years of age, while the Catholics total 76.6 percent. Moreover, the official data of the National Statistics Institute indicate that in recent years the evangelicals recorded a growth of 5 percent while the Catholics were sustaining a 4 percent decline.

Chilean society is quite religious, and the figures reflect it. The currents of modernism—which presumably have led to a decline in religiosity—have not reached Chilean society, contrary to the experience of other societies.

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However, this is not sufficient by itself to explain the rapid increase in the evangelical creeds, especially in the working-class sectors of the population.

In the opinion of the sociologist Arturo Chacon, professor at the University of Chile and at the Evangelical Theological School of Chile, the Protestant denominations—especially in Latin America—are an expression of those sectors of the population that have been excluded from the political, economic, and social processes. Chacon explains that generally speaking, these sectors represent the poorer strata of the population. As a result, many Chileans who feel they have been marginalized—the Indian population, for example—have embraced this faith, and on a massive scale.

Another explanation, Chacon says, is the way in which the evangelical churches deliver their message, together with the way in which the message is experienced by those who receive it. "These organizations," he explains, "treat people as human beings who are worthy of respect."

From the theological point of view, he adds, the explanation has to do with the fact that when people become participants in the evangelical churches they do so voluntarily, without any form of pressure, and after joining are able to carry out initiatives on their own, such as outfitting new places of worship, sometimes using their own homes for the purpose; teaching other persons; and preaching—all of which they are fully empowered to do.

These Protestant churches—although they arrived in our country almost simultaneously with the beginning of our independent existence, and specifically with the arrival of Protestant traders—complain, however, that there is an absence of genuine pluralism in our society.

"There is freedom to worship, but not religious freedom," Eduardo Duran says. "There is not equality of treatment vis-a-vis the Catholic Church." For this reason, he adds, the evangelicals are waiting for laws that will truly guarantee equal treatment. Duran is referring to the bill that was introduced in Congress in October 1993 and that remains without result.

Among other things, Duran says, the evangelicals are petitioning for greater access to public officials, for legal recognition, and for opportunities to expand their activities, such as their prison outreach program and the right to have chaplains in the Armed Forces, where they are still unable to conduct services. The Air Force and Navy, he adds, are more explicit in their refusal.

[Box, p 11]

Twenty Percent by the Year 2000

If the present rates of growth are maintained, 20 percent of the Chilean population will be evangelical by the year 2000. This represents a considerable increase over the figure for 1970, when only 6 percent belonged to that creed.

It is estimated that there are approximately 2,500 evangelical denominations in Chile, grouped into various classifications. The classifications are usually related to the origin of the denominations and to the particular social stratum in which their followers are found.

Most of the older denominations arrived from Europe at the beginning of the Republic. Generally speaking, they established themselves in the upper strata of the population, as in the case of the Anglican and Lutheran churches.

The other denominations are associated with the waves of missionaries that arrived in Chile from the United States in the middle of the 19th century. Their followers are found in the middle and lower strata of society.

The third variant is the domestic or Pentecostal churches that were born of the break with the Methodists. These predominantly working-class churches are well established in the poorer districts and are the ones that have consistently recorded the highest growth rates in the past 10 years. Many of these churches believe that the official statistics do them an injustice and that the evangelicals probably already represent more than 20 percent of the population.

Colombia

Army Denies Air Attack on Civilian Community

PA0205173195 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0130 GMT 2 May 95

[From the "AM/PM Newscast"]

[FBIS Translated Text] The commanders of the Colombian Army and the Police Department speak about an attack on the town of Miraflores. According to townspeople, attacks were carried out by Armed Forces aircraft.

[Begin recording] [Reporter] Regarding the latest guerrilla attacks on Miraflores, the townspeople are saying that the Armed Forces have fired on the civilian population.

[Army Commander General Harold Bedoya] I don't know what armed forces they are referring to. What we know is that narco-subversive groups of the Revolutionary Armed Forces of Colombia [FARC] attacked a police station, a few days ago, and that as a result of the attack some Miraflores residents were wounded.

[Human Rights Commission spokesman Jesus Anibal Suarez] This is just one more crime, of the many committed by the policemen against the civilian population, with whom the guerrillas live. This is an integral part of the war strategy designed by former President Cesar Gaviria. Strategy that hasn't changed substantially in favor of human rights during the current administration of President Ernesto Samper.

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[Reporter] A newscast has reported that Miraflores, Guaviare, residents, have charged that aircrafts are firing on people.

[Police Commander General Rosso Jose Serrano] I think they should establish how a lieutenant who died was fired upon, and how the agents who have been killed were fired upon. We hear no complaints about that. We are not firing indiscriminately. We have missions to accomplish. We analyze areas and then we take action. Let them ask also how Major Ramirez was killed. [end recording]

Administrative Director Discusses Inflation Rate

PA0205161995 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 2 May 95

[Interview with Maria Luisa Chiappe, director of the National Administrative Department of Statistics, by Caracol News Director Dario Arizmendi and two unidentified reporters; place not given; from "Caracol's 0600 to 0900" newscast—live]

[FBIS Translated Text] [Arizmendi] Good day, Dr. Maria Luisa Chiappe, director of the Administrative Department of Statistics, DANE.

[Chiappe] Good morning, Dario.

[Arizmendi] What was inflation in April?

[Chiappe] Inflation in April was 2.23 percent.

[Arizmendi] Compared to how much last year?

[Chiappe] Compared to 2.37 percent last year; thus, there was a 0.14 percent decrease.

[Arizmendi] And from 1 January to 30 April?

[Chiappe] Inflation is 21.17 percent so far this year compared to 23.94 percent last year. Pardon me, inflation is actually 10.62 percent so far this year compared to 11.92 percent last year, and the inflation rate has been 21.17 percent in the past 12 years compared to 23.94 percent last year.

[Arizmendi] A little less.... [pauses] well, two points less than last year, lower than the annual rate, that is.

[Chiappe] As for the annual rate, there is an almost three-point decrease. I believe this figure is a significant one, because the annual average for the past 10 years was 25.27 percent; thus, there was a four-point decrease compared to the average.

[Arizmendi] Nevertheless, Dr. Maria Luisa Chiappe, the government has stated that inflation should be 18 percent for this year; that is the goal, but is 10.62 percent too high for the first four months of the year?

[Chiappe] It is not my duty to make predictions. It is difficult to do so, because the inflation rate during the first four months, proportionally speaking, is much higher than during the other ones. Although those months represent one-third of the year, they do not represent one-third of the inflation rate. They always represent more. There were years when the first four months represented more than half the inflation rate; thus, I cannot make predictions from this viewpoint. Moreover, it would be very irresponsible for the Dane to predict an annual inflation rate, because it would virtually be tantamount to establishing an inflation rate.

I would make the following observation, however. We are forgetting an important aspect, because we are exclusively thinking about the goal; that is, inflation is indeed dropping, and we have a low inflation rate, historically speaking, in relation to traditional average rates. In the first four months, as I told you, the inflation rate was 10.62 percent compared to an average of 12 percent in the past 10 years. As for the annual inflation rate, we have 21.17 percent, compared to the historical average of nearly 24 percent. Given the average is (?higher) than 25 percent, there was a four-point decrease.

[First reporter] What about the inflation rate per category?

[Chiappe] Inflation for the food category increased by 2.99 percent, 2.44 percent for housing, and 2.93 percent for health. Those were the most prominent ones. The inflation was based primarily on food, housing, and health price increases.

[Reporter] What about utilities?

[Chiappe] They are included in the housing sector, the inflation rate of which was 2.44 percent. It was not the most influential factor. Rentals and house-cleaning materials influenced the upward trend in the housing sector the most.

[Reporter] What about the cities?

[Chiappe] Cartagena and Barranquilla had the lowest inflation rates.

[Second reporter] And Santa Fe de Bogota still has the....

[Chiappe, interrupting] Pardon me, Cartagena and Barranquilla actually had the highest inflation rates, with 3.5 and 3.31 percent, respectively. Demand is high during Easter vacation in those cities.

[First reporter] Could you repeat those figures?

[Chiappe] There was a 3.5 percent increase in Cartagena and 3.13 [as heard] percent increase in Barranquilla. Cities with the lowest inflation rates were Pasto, Neiva, and Santa Fe de Bogota. Pasto had 1.17 percent, Neiva 1.51 percent, and Santa Fe de Bogota 1.92 percent. This is a typical case of Easter vacation.

[Reporter] What about other sectors such as transportation, education, and (?others)?

[Chiappe] Education does not have much bearing on this month, because there is no school registration and no great pressure of [words indistinct] over prices, and so

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on. We can say, however, that inflation in the transportation sector is clearly decreasing, and, as I said, inflation caused by the education sector is not important this month. Inflation in other sectors was also relatively low compared to the average.

As for specific figures, transportation registered an inflation rate of 0.94 percent compared to 0.66 last year. There was a slight increase, because the situation [estacionalidad] of transportation is different this year, because certain fare increases, primarily in Santa Fe de Bogota, Cartagena, and Cucuta, were taken into account. This inflation rate is, however, a very low one—0.94 percent. Education registered 0.63 percent inflation compared 0.75 last year. Health registered 2.93 percent compared to 3.16 percent last year. The clothing sector registered a very low inflation rate, 1.12 percent compared to 1.18 percent last year. Other sectors registered 1.57 percent compared to 1.99 percent last year.

[Arizmendi] Do you have on hand inflation figures for May 1994?

[Chiappe] May 1994?

[Arizmendi] Yes, figures for the last year?

[Chiappe] No, I am sorry, but I do not. Why May?

[Arizmendi] Because it is May now, and I wonder what inflation in May was this year versus inflation in May 1994.

[Chiappe] At any rate, inflation rate in May drops vis-a-vis the first four months. The highest inflation rate is definitely registered up to April. Inflation is significantly lower after April.

[Second reporter] Santa Fe de Bogota's case is interesting. Previous figures have indicated it ranked first among the cities with the highest inflation.

[Chiappe] Yes. As I said, this is a typical case of Easter vacation.

[Reporter] Speaking of Santa Fe de Bogota specifically, what was inflation in March and April?

[Chiappe] Inflation in Santa Fe de Bogota in April was 1.92 percent. It is true that it was higher in March; it was probably the highest among all cities, but, as I said, demand is high in vacation cities in April, but not so in Santa Fe de Bogota, because people actually leave this city during Easter week.

[Arizmendi] It is clear, however, the food sector contributed the most to inflation in April.

[Chiappe] Yes. As I said, food, housing, and health influenced inflation the most. As for the food sector, increases were due primarily to the fact that meat [words indistinct] 5 percent as a result of increases in the price of plantain, potatoes, and tubers, which are essential in Colombia. The price of other products, which we put in a group called others, also increased by 2.97 percent. There is a downward trend even though prices in the food sector increased the most. The increase, which was relatively low compared to last year's, caused this inflation, which is actually low, historically speaking.

Actions of Prosecutor General Applauded

95CA0214A Santa Fe de Bogota EL TIEMPO in Spanish 24 Apr 95 p 5A

[Commentary by Francisco Santos: "Crying for Justice"]

[FBIS Translated Text] "If your right eye is an occasion of sin to you, pluck it out and cast it away from you; better to lose one part of your body than to have the whole cast into hell. And if your right hand is an occasion of sin to you, cut it off and cast it away from you; better to lose one of your limbs than to have your whole body cast into hell." St. Matthew 5:27-30.

Just as this excerpt from St. Matthew's Gospel has assumed timeliness, Colombia today requires that we cut off the arm of this corrupt body and pluck out its eye, to avoid our ending up as a pariah nation in the world context.

That, without doubt, is the responsibility of the Prosecutor General's Office and the Supreme Court: to prevent Colombia from ending up in the hell of "narcodemocracy."

It is no secret to anyone that the "narcos" finance electoral campaigns, or that they obtain in exchange laws favorable to their interests (we need only look at the Code of Criminal Procedure and the Penal Code), enabling them to claim vociferously that they are willing to submit to the law.

But, from that bitter taste and that certain belief without any proof, we have now moved to something far more substantial. Finally, a judicial entity is sinking its teeth into the matter, and starting to uncover a rotten stew.

Little by little, the Prosecutor General's Office is untangling the complicated web of the relations between "narcos" and politicians. Those relations date back to the 1970's, with a great surge during the 1980's, when one of them arrived in Congress and hung around with another of those implicated in this scandal.

Of course, we are already hearing the angry reaction from those who cannot do anything but defame other prominent persons or institutions, in an attempt to block out the sun with their hands.

Or, what is even worse, they are trying to minimize what has happened, with the story that one never knows who pays the bills: specifically, at the Hotel Intercontinental in Cali, in the middle of an electoral campaign.

Because the fact is that delivering a few shirts or paying a hotel bill is as serious as the donation of several million to a campaign. Let us hope that the Court does not make any distinctions between the two.

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A different case is that involving representative Yolima Espinosa, who has fought against the drug traffickers in all areas, and who may possibly be the victim of a trap. Regardless of this, with a dignity and loftiness that few possess (which those acting in this plot have publicly demonstrated that they lack), she has withdrawn from the DLN [National Liberal Directorate] and is abiding by the decision of the Liberal Party's Ethics Committee, waiting for a judicial investigation.

Also deserving of the support of all good Colombians is the decision of the Liberal Party's Ethics Committee, which categorically decided to suspend those implicated. It should be explained that this Committee is one on ethics and not juridical in nature. Therefore, a verdict may be expected that will, incidentally, set a precedent ennobling the party and the members of that committee.

In Italy, the judges have managed to purge a corrupt system; and its principal figure, the ex-prosecutor, Antonio Di Pietro, is the leading celebrity in the country, taking precedence over Silvio Berlusconi.

Today, we are on the verge of something similar. The Supreme Court and the Prosecutor General's Office have become the last barrier against corruption and easy money. Concentrated in the hands of these two institutions are the hopes of all of us good Colombians who, weary of this impunity, are demanding justice: nothing more, but nothing less, either.

Business Confidence in Apertura' Surveyed

95CA0210A Santa Fe de Bogota EL ESPECTADOR in Spanish 10 Apr 95 pp 1, 7B

[Unattributed article]

[FBIS Translated Text] Fedesarrollo, Santa Fe de Bogota—Business owners have increased their confidence in apertura' [trade liberalization program]. This was discovered by Fedesarrollo [Federation for Development] in its third special poll on the subject. Th study was made during January, just as it was in 1994 and 1993.

Obstacles to coping with foreign competition: At the beginning of apertura,' manufacturers were expressing concern over the high cost of national raw materials, the price of financial services, and the high public service rates.

Three years later, with the exception of financial costs, the other variables have shown a downward trend. The main obstacle now is the cost of money and, in the case of small business firms, this is compounded by the high costs of labor and the poor quality of products.

Position on the internal market: Most business owners still maintain great confidence in their competitiveness with respect to imports. According to the Opinion Poll results, during the past three years the apertura' process has not drastically changed the position that the manufacturing companies held on the national market. What is evident is a moderate increase in the number of firms that consider themselves to hold a "fair" position: in other words, with a high risk of losing market to imported products. Their percentage rose from 13 in 1993 to 22 in 1995, and they are associated mainly with capital equipment products and certain raw materials.

The "good" position (moderate risk of losing market) was cited by 64 percent of business owners in January 1993. This percentage is now 60. Being in danger of disappearing, that is, holding a "poor" position, is mentioned by only two percent of manufacturers.

Exports: The business owners' confidence in their capacity to expand exports is obvious as well.

Among the companies exporting over 30 percent of their production, the possibility of increasing the amount exported during the next two years is considered excellent by 23 percent, good by 45 percent, fair by 27 percent, and slight by only four percent.

This result is not far removed from those obtained previously. In fact, there was somewhat less optimism in the 1994 expectations.

Among small-scale exporters (those allocating less than 30 percent to foreign markets), the results are less favorable, considering the fact that ten percent of them will be forced to reduce their sales.

At the beginning of apertura,' exporters regarded as the greatest obstacle to expanding their exports the cost of national raw materials, followed by uncertainty and instability in the case of exchange. Now, the exchange rate level and high interest rates are where their concern is focused.

Nevertheless, it has proven more difficult for small-scale exporters to overcome certain impasses. They are further harmed by inadequate technology and, hence, the inability to produce the volumes required on international markets. At the same time, they lack prompt access to information on foreign markets, and their brands are little known abroad.

Commercial agreements and preferences: Generally speaking, manufacturers are still optimistic about the commercial agreements signed by Colombia with Mexico and Chile, as well as the increased integration with Ecuador and Venezuela.

Only in the case of the commercial agreement with Mexico is any revision of opinions evident. There is currently an increase in the percentage of business owners who find the terms of the negotiation unfavorable. The percentage of those dissatisfied rose from 22 in 1993 to 35. Included in this group are, primarily, producers of spun goods, textiles, hides, industrial chemical substances, toiletry items, and machine-tool products, as well as transportation material and equipment producers.

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Integration with Venezuela and Ecuador is regarded as beneficial by 58 percent of business owners, particularly those processing industrial chemical substances, plastic products, ready-made clothing, and footwear, and producers of metal items. The pessimistic group consists of the manufacturers of animal feed concentrates and tobacco.

There is a conspicuously low level of use made of the preferences granted by the United States through the Atpa [expansion not given], and by the European Union through the PEC. These benefits are being used by only eight percent of the exporting business owners polled, the main reason being that they do not export to those areas. Moreover, 11 percent of the manufacturers claim that another reason is the lack of information.

Included among the findings of the poll is the fact that the large exporting firms still have great confidence in their competitiveness, as shown by their intention of expanding exports. The problems of manufacturers are clearly concentrated in business firms depending basically on export activity. However, the new tendencies toward devaluation of the exchange rate could represent relief for them.

Export Possibilities

What are the possibilities of expanding your company's exports within the next two years? (figures are percentages)

	[month as published]		
	March/93	March/94	March/95
a. Excellent	22.9	16.0	14.4
b. Good	51.9	46.4	46.5
c. Fair	21.0	31.6	28.8
d. Slight	2.8	5.3	8.6

a. Excellent (increasing them by over 50 percent in dollars)

b. Good (increasing them by over 20 percent in dollars)

c. Fair (increasing them less than 20 percent in dollars)

d. Slight (will be forced to reduce them in dollars)

Source: Fedesarrollo

Ecuador

Commentary Urges Oil Pipeline Expansion

95SM0292A Guayaquil EL UNIVERSO in Spaniish 17 Apr 95 p 6

[Commentary by Katia Murrieta]

[FBIS Translated Text] Ecuador has been a petroleum-producing country since 1970, and its economy manifestly improved during one decade, until 1980. This "boom"—which should have been a period of steady growth—gradually deflated, and the only thing that inflated was the bureaucracy, whose obesity has obstructed our progress ever since.

The experts say we have sufficient oil to last beyond the year 3000, but if the appropriate technology is not used and we continue to use conventional technology, we will continue to squander the potential revenue obtainable from an approximate 60 percent recovery rate (only 24 percent of the crude is currently being recovered). Moreover, if the existing oil pipeline (which runs from Lago Agrio to Esmeraldas) is not expanded, our revenue will continue to be limited to a base of 350,000 barrels per day—even though we have a production capacity of 450,000 barrels—because the carrying capacity of the existing pipeline does not allow us to recover all the oil that could be extracted. The trans-Colombian oil pipeline (which transports an additional 40,000 barrels of Ecuadoran oil per day) is not the most advisable option because its "availability is not assured, for different reasons related to the constant interruptions in the flow through the pipeline, which make it necessary to cut back the production of Ecuadoran crude." (Footnote 1) (Ministry of Energy and Mines, "We Are Planning for the Future: Expansion of the Oil Pipeline.")

We are therefore presented with two alternatives: either we will base our economy on the petroleum resources that we possess, while increasing production and therefore the revenue that this will bring us, or we will continue to postpone the development of the nation and rely on the exploitation of our more traditional products, on foreign borrowing, and on the systematic creation of taxes.

If oil is therefore the spinal column of social progress in Ecuador, why—or for what purpose—are we opposing expansion of the oil pipeline?

People have said that the government has not been very open and aboveboard in connection with the bidding on the project. For its part, the government says that it has clarified the basic conditions of the contract to make them as advantageous as possible for the state and effectively ensure fulfillment of the contract. Ecuador obviously does not possess the resources necessary to carry out a project of such magnitude. The project should logically be entrusted to a private company, whereby we would receive a 30 percent profit rather than share losses and profits on a 40 percent basis, as in the previous contract.

In this context, we can make only one decision: award a contract for the project, in an atmosphere of the most complete "glasnost" (transparence)—to use a term that the former Soviets made fashionable—or otherwise postpone social development until the people die in poverty in a land of unexploited riches.

Mr. President of the Republic, you have shown that you have an excellent talent for leadership. This is one more challenge that Ecuadoran society has presented to you.

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Energy Minister Discusses Oil Pipeline Expansion Project

95SM0292B Guayaquil EL UNIVERSO "SUNDAY" SECTION in Spanish 16 Apr 95 p 2

[FBIS Translated Text] "Ecuador's social and economic development will be accomplished only through an increase in petroleum production, which necessitates expansion of the trans-Ecuadoran oil pipeline," Energy Minister Galo Abril Ojeda insisted, by way of justifying the government's decision to carry out the expansion project.

Energy Minister Galo Abril Ojeda met with the Editorial Advisory Board of the newspaper EL UNIVERSO, at which time he declared that construction of the new oil pipeline parallel to the existing one is necessary because Ecuador needs to increase its oil production to 440,000 barrels per day.

He explained that under present conditions, oil production is 390,000 barrels per day, which are transported via the infrastructural system that extends from Lago Agrio to Baeza to Esmeraldas. This system, however, cannot transport all the crude, making it necessary to rent the trans-Colombian oil pipeline.

Abril declared that the annual cost to Ecuador of using the Colombian oil pipeline is approximately $25 million (60 billion sucres). "If this quantity is multiplied by 19 years of extra costs such as we are now paying," he said, "a total of approximately $600 million—more than 1 trillion sucres—would be expended."

Another factor, he said, that motivates the government to go forward with the expansion of the oil pipeline is the fact that the nation needs resources for its development: resources that for the most part come from under the surface (petroleum and gas) and "that would be left unused if we do not decide to expand the infrastructure that transports the crude."

He also declared that at present levels of production, only 24 percent of the reserves in Ecuador's active oil fields is being extracted. "With an adequate transportation system," he said, "the extraction rate would increase to 60 percent, using the technology currently employed in our country."

He acknowledged that both conventional technology and state-of-the-art technology are being used in the petroleum sector. He said that the former represents a 24 percent recovery rate and the latter a 60 percent rate, inasmuch as companies from the United States, Great Britain, Canada, Norway, and Argentina are working in our country.

Expansion of the Oil Pipeline

Abril explained that in order to increase the capacity of the oil pipeline to 440,000 barrels per day of crude of a density of 24.8 API [American Petroleum Institute] grades and adapt it for transporting oil by the operational method known as "bacheo" [meaning unknown], the following technical projects must be carried out:

Three new stretches of the Lago Agrio-Balao oil pipeline will be installed, with a total length of approximately 164 km and a diameter of 18 inches; two stretches with a total length of approximately 266 km and a diameter of 20 inches; and a stretch of approximately 34 km and a diameter of 22 inches.

Moreover, three new motors must be installed in the existing pressure lift pumps, with the exception of those installed by the Maxus company and two principal pumping units at the Lago Agrio station. In addition, three pumping units must be installed at the Lumbaqui, Baeza, and Papallacta stations.

The water-cooling system of the motors of the existing heat exchange system at the pumping stations must be improved, and a new pumping station—consisting of three units and all their facilities—must be installed at Mirador.

Proposed Alternatives

Energy Minister Abril disclosed that in order to configure the oil pipeline expansion project it was necessary to commission studies by three international firms: Arthur D'Litte, the French Petroleum Institute, and William T. Simmons Consultants, which developed two alternatives, both of which were subsequently rejected. The first alternative proposed the treatment of the heavy crude before its transportation by refining it in the actual zone where it is produced, and the second alternative proposed the improvement of the physical properties of the crude at the producing oil fields themselves.

Abril said that the first project was rejected because of the excessive distance from the centers of consumption, which would entail high operating costs and large investments in the refining and transportation of petroleum products.

Changes and Extensions

When questioned concerning the changes that were made during the presentation of the preconditions to the companies that wished to bid on the contract for the new oil pipeline, Abril said that the changes were necessary because of certain inconsistencies among the clauses in the original document.

He explained that whereas the initial document setting forth the preconditions stated that the company obtaining the contract should have experience in operating an oil pipeline of at least 500 km in length, farther on in the same document it was stated that the company should have experience in operating a pipeline or be operating one at the present time. According to the energy minister, a company could therefore be operating only yesterday and today be calmly awarded the contract.

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It was also necessary to be more specific regarding the oil pipeline and gas pipeline, inasmuch as the oil pipeline includes the gas pipeline because the gas pipeline is as complicated—or more so—to operate as the other. "These changes were made in such a way that no one feels injured," Abril said.

He emphasized that in considering this project, no one is planning on the basis of future options in the form of investment in new technology or the discovery of new reserves, inasmuch as the plan was drafted exclusively on the basis of the existing reserves, 99 percent of which are proven reserves and the remaining 1 percent are classified as probable.

Abril further stated that if you combine these two reserves that total 3.6 billion barrels of petroleum per day [as published], you will have production over a 22 year period at a 24 percent recovery rate.

He explained that the changes in these figures are the result of the date the reports were made. He said that the studies had been elaborated on the basis of the reports that were made in 1991, which were updated in 1993. In the intervening period, reserves were tapped by the new drilling, which yielded different volumes.

Eastern Oil Fields

The explanations concerning the hydrocarbonaceous potential clearly indicated that the underground petroleum resources were discovered by means of the conventional technology now in use and that at a 24 percent recovery rate they would yield approximately 5.5 billion barrels.

With the consumption of 2 billion barrels of petroleum, however, only 3.5 billion barrels remain. This latter figure is in fact the total petroleum that is used as a basis for designing the infrastructure, inasmuch as these processes cannot be based on future optimizations or on technology that cannot yet be employed.

Moreover, these studies are conducted on the basis of oil deposits that have been discovered, explorations that were initiated previously, and existing installations in eastern Ecuador.

At the same time, countries such as the United States, the United Kingdom, Canada, Norway, Argentina, and Venezuela already possess state-of-the-art technology, and almost 60 percent of their reserves are being recovered in their oil fields. That is to say, this technology does at least exist, although it is more expensive.

Our costs of production, however, are still low enough for the selling price of our oil to provide a very large margin for embarking on the use of this type of advanced technology.

As a hypothetical example, if 2,000 barrels are consumed out of of an original reserve of 13,800 barrels, 11,200 barrels [as published] would remain, at a rate even greater than the one at which we are currently producing, that is to say, 390,000 barrels per day, which was Ecuador's average production during the past 22 years. If 450,000 barrels per day are produced, there would be oil enough for 72 years.

In the event more reserves are discovered, this estimate could be lengthened for an additional 115 years, and by using the technology of the future all of the oil in the ground could be recovered, leaving no residual oil.

These projects, moreover, do not include the Ecuadoran coast, which has many possibilities. There is gas in the gulf and oil in northern Peru. Oil has been discovered at the Gulf No. 1 well, but it is not on a commercial scale.

These projects also do not include what are called Pre-Cretaceous formations in eastern Ecuador. These deeper and older formations are found in the sub-Andean basins and include those discovered in Venezuela and Colombia three years ago, which within a few years will be producing approximately 500,000 barrels per day of crude oil of a density above 34 API grades.

The Situation in Argentina

Abril compared the Ecuadoran situation with that of Argentina, where many new petroleum activities have been carried out and new technology employed.

All this was accomplished, he said, by resorting to private investment when the state found itself unable to borrow the necessary funds. As a result, the production of some wells was tripled and that of others actually quintupled.

The energy minister declared that this is a clear example of what remains for us to recover in Ecuador—not only in eastern Ecuador but in a part of the Santa Elena Peninsula—through the use of the technology that foreign investment will bring.

He said that the aforementioned limitation was what had delayed implementation of the project, inasmuch as it was necessary to establish priorities, as was pointed out at the time by the Inter-American Development Bank (IDB) when it granted the loans for the master plan for Guayaquil's water system and for the rehabilitation, repair, and maintenance of the nation's primary and secondary highways.

No More Delays

Concerning the withdrawal of Occidental from the bidding, Abril commented that at the beginning of the process, seven consortia had purchased the basic documents and each consortium consisted of three or more companies.

In that context, he explained, three companies [as published] were in the forefront of the competition for the contract. Two of them (Techint and Odebrecht) joined forces in order to strengthen their position, leaving only six consortia in the competition.

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Moreover, he said, Transcanada—Occidental's operating company, which was also a participant in the bidding for the Colombian pipeline—withdrew because it did not have the capacity to construct two oil pipelines simultaneously.

He explained that this was the reason Occidental is withdrawing, although it gave only verbal notice of its intention.

Abril said that because of these difficulties—which had even motivated some of the consortia to request an extension of the time limit for submission of the bids—"the project will not be delayed further, because we believe that one more delay would kill the project. The financial capitals," he explained, "do not always wait, and if there are no alternatives at hand, they will go looking for other investment opportunities that offer greater security."

[Box, p 6]

Marginal Oil Fields Are Underutilized Potential

Energy Minister Galo Abril explained that although some countries—including Argentina and Venezuela—have expressed interest in bidding on the marginal oil fields, the main obstacle is precisely the nonexistence of the oil pipeline.

Abril quoted Petrocomercial [Petroleum Marketing Enterprise] to the effect that this situation exists because six months after the initial investment in these fields was made, it is already possible to begin production, but the transportation obstacle is what is causing the delay in implementing the project.

He also cited a detailed study that will indicate whether the Bermejo oil fields are actually two fields or only one, because, he said, "if they are one field it is no longer marginal, but if they are two fields they are indeed marginal."

He said that another type of investment opportunity must therefore be found that will parallel the exploitation of the crude oil: natural gas, for example, which is another underutilized resource and is currently burned off, whereas in countries such as Argentina it is used as a substitute for liquefied petroleum gas (LPG).

In Argentina, he noted, natural gas distribution systems serve almost 90 percent of the domestic market as well as all public transportation in the urban centers, where it is not only a safer and less explosive fuel but is cheaper.

Abril said that a final study will determine the potential of the Bermejo oil fields in terms of crude oil, natural gas, or both. "We should discover both the crude oil and the gas at the same time," he explained. "That is why the marginal fields have been set aside until we make this decision. We are committed, however, to a project for utilization of the gas that is generated by the wells of the 17 groups in five blocks to produce liquefied petroleum gas."

Peru

Fujimori Not To Give 'An Inch' of Territory

PY0205225195 Madrid EFE in Spanish 1834 GMT 2 May 95

[FBIS Translated Text] Lima, 2 May (EFE)—Peruvian President Alberto Fujimori said today that Peru will not allow Ecuador to violate the Rio de Janeiro Protocol or the Itamaraty Peace Agreement. He said he will not give "an inch" of Peruvian territory to the northern neighbor.

Fujimori confirmed his country's position during a speech at a ceremony to honor the Peruvian forces that fought in the recent conflict with Ecuador. The ceremony was held at the Army General Headquarters in Lima today.

Fujimori said Peru is "a peaceful country that respects treaties, but we will not fail to answer aggressions and provocations." He thus referred to periodic border tensions with the northern neighbor.

Defending the full validity of the 1942 Rio de Janeiro Protocol, Fujimori said Peru will not allow "the violation of the treaty or the agreement established in the Itamaraty Peace Declaration" that lead to the end of the recent undeclared war.

Fujimori added: "Peru will adopt its usual firm military and diplomatic position if Ecuador continues to act stubbornly against international law in its attempt to violate the Rio de Janeiro Protocol."

Fujimori categorically rejected the possibility of giving a sovereign outlet to the Amazon River through Peruvian territory, as demanded by Ecuador.

Fujimori said: "We will not give an inch of the border that still needs to be marked. It must be clearly understood that we will definitely not accept any attempt to get a sovereign outlet to the Amazon."

He added: "This is our historic and constant position, respectful of international law and firm in the face of any aggression."

After pointing out that Peru recognizes the Ecuadoran right to freely navigate that river, Fujimori conditioned the implementation of that right to "the total and definitive demarcation of the border in accordance with the arbitrations of Brazilian Bras Dias de Aguiar" in 1945.

That arbitration considers the zone of the upper Cenepa River, where the conflict occurred, to be Peruvian, although Ecuador maintains the area belongs to it—rejecting that arbitration.

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During the ceremony, President Fujimori decorated several officers who fought in the Cenepa region and some relatives of soldiers who died in the clash.

There was an exhibition at the Army General Headquarters of Ecuadoran weapons, equipment, uniforms, and propaganda seized by Peruvian troops during the conflict.

Unofficial sources have stated that the war, which lasted 32 days and ended on 1 March, left approximately 1,000 casualties on the two sides, among them dead, wounded, and missing.

Peace was reached at the insistence of the four guarantors of the Rio de Janeiro Protocol—Argentina, Brazil, Chile, and the United States—which are currently supervising the demobilization of Peruvian and Ecuadoran forces in the Cenepa River region.

General Denies Writing Letter on 'Errors' in Handling War

PY0305020695 Lima EXPRESO in Spanish 25 Apr 95 p A2

[FBIS Translated Text] General Vladimiro Lopez Trigoso, Administrative Staff Chief of the 6th Military Region headquartered in Bagua, yesterday categorically denied writing a letter in which he reportedly informed members of his institution of "events related to the handling of the war with Ecuador," and which was published by two local weeklies on different dates.

In a letter to this newspaper, the general says: "It is a forged document, built on imaginative events, that obviously seeks to harm the Peruvian Armed Forces. The situation must be fully investigated and those responsible must be punished for this fraudulent act."

He adds that only "a disturbed mind or a concert of wills with unexplainable desires could concoct such an absurd way to tarnish the image of the government and of the Armed Forces."

He explains that he did not send any report on events during the Peruvian-Ecuadoran conflict to any active military officer.

He adds: "My position as brigade general gives me enough prerogatives to fulfill my duties within the context of a conflict that militarily involves my country and which establishes that any fault of that nature is extremely serious."

Gen. Lopez Trigoso headed the 5th Jungle Infantry Division when the armed conflict began on the Condor Mountain. He lead actions to expel the Ecuadoran forces from our territory.

His action was criticized by President Alberto Fujimori. The disagreement was made public a few days after the signing of the Itamaraty agreement.

On that occasion the creation of the 6th Military Region was announced and Division General Luis Perez Documet was nominated to head it. Some analysts viewed this as the lead up to the dismissal of Lopez Trigoso following the criticism of his work. This was later denied by the president of the Republic.

Three days before the elections, the weekly CARETAS published a letter supposedly from the front line, addressed to a high-ranking Army officer, in which serious criticisms of the government are made. The letter was immediately attributed, in political and military circles, to Gen. Vladimiro Lopez Trigoso.

This general explains that on 6 April 1995 the magazine CARETAS published the text of a letter datelined El Milagro, 27 March under the title: "Letter From the Front; The Painful Truth." Attached to the letter was a drawn map of Ecuadoran troop movements.

"Although the author of the letter was not mentioned, it was believed" to have been written by me.

He adds that as he was unclear about this "annoying matter" he was forced to "maintain silence."

He states that on 11 April the magazine OIGA reproduced the text of the letter, published previously by CARETAS, under the title: "General Lopez Trigoso's Letter."

He adds that the same magazine on 17 April published his picture saying that "no one has denied his letter. No one has denied Gen. Lopez Trigoso's reports on the very serious errors committed in handling the war with Ecuador."

In view of these events the general says: "I deny having written the letter that was tendentiously published by the magazines CARETAS and OIGA, obviously seeking political benefits. I did not write a letter to any active or retired military officer describing events in the conflict between Peru and Ecuador...."

Fujimori Explains Postponement of Petroperu Privatization

PY0205180695 Lima EXPRESO in Spanish 19 Apr 95 p A3

["Exclusive" interview with President Alberto Fujimori by Jaime de Althaus on 18 April; place not given]

[FBIS Translated Text] [Althaus] Why have you decided not to privatize Petroperu [State Petroleum Agency] now?

[Fujimori] We have straightened out Petroperu's accounts. We have settled debts for $1 billion, and its accounts are clean now. It is beginning to yield profits. If, for example, it shows a $500 million profit per year, that money would go to the Treasury to finance projects, however, if we sell it we will only receive 30 percent of that amount in taxes, or some $150 million.

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[Althaus] Does that mean you are never going to sell Petroperu?

[Fujimori] Yes, we will, but only after we have managed to balance our fiscal accounts. Right now we are short of soles, and still more so now that we need a 0.50 percent fiscal surplus. I would estimate that in two years Sunat [National Tax Administration Superintendency] will collect between 15 and 16 percent of GDP. Then we will no longer need Petroperu's cooperation, and we will be able to sell it. Not now.

[Althaus] But by selling Petroperu you would have the money you need for those two years, so why not sell it?

[Fujimori] Because the sale would be in dollars, which we cannot convert into local currency to finance works, as this would generate inflation. Profits, on the other hand, come in soles.

The same goes for Electroperu [Peruvian State Electric Power Enterprise]. Moreover, in our letter of intent we promised not to sell it. I did not think of privatizing it at that moment, because it is already yielding profit in soles, which we are using to expand our electricity supply system. Right now we need soles because we have too many dollars. If not, we would not be able to expand our power supply system.

I believe that we will be able to privatize these two enterprises in a couple of years. In the meantime, we can focus the state's management capacity on administering these enterprises well so that they yield good profit.

Perez de Cuellar Raises Doubts on Cleanliness of Elections

PY0305020895 Madrid EFE in Spanish 1921 GMT 2 May 95

[FBIS Translated Text] Lima, 2 May (EFE)—Peruvian presidential candidate Javier Perez de Cuellar raised doubts again today about the cleanliness of the 9 April general elections and demanded that the alleged irregularities be clarified.

In a written declaration disclosed today, Perez de Cuellar, leader of the Union for Peru Movement (UPP), demanded "respect for the people's will" expressed in the elections, and asked the National Election Board (JNE) to clarify the alleged irregularities.

Perez de Cuellar obtained 21 percent of the votes and was defeated by current President Alberto Fujimori, who was reelected with 64.4 percent of the valid votes, according to the official results of the JNE.

Perez de Cuellar denounced the "hidden existence" of an intermediate data center of the company in charge of the vote count in which, he said, "the electoral results could have been changed."

He also mentioned the disappearance of 37,000 electoral records from the main warehouse of the JNE.

Perez de Cuellar said: "These serious events, in addition to those in Huanuco, Juliaca, and other parts of the country, cast a shadow of doubt on the electoral process, which all Peruvians wanted to be indisputably clean."

Santiago Murray, chief of the OAS Mission of Observers, denied the existence of a "hidden" center for recounting votes. He gave assurances that his mission always supervised the center.

Murray said that in the facilities mentioned by Perez de Cuellar, there was a "contingency data center" and that this center was personally supervised by Carlos Guerrero, an expert of the OAS technical mission.

"This is where all the backup information on the elections was processed as a precaution in case an unpredicted situation developed," said Murray to EL COMERCIO.

Regarding the 37,000 lost electoral records, Murray said he is waiting for a report from the Peruvian Attoney General's Office to complete his report on the Peruvian elections to the OAS General Secretariat.

Election Board Explains High Percentage of Null Votes

PY0205133695 Lima EXPRESO in Spanish 18 Apr 95 p A4

[FBIS Translated Text] Romulo Munoz Arce, member of the National Election Board (JNE), said yesterday that almost 3 million votes for congressmen were annulled because the electoral records were wrongly filled out by the members of the voting stations.

He explained that at the national level about 30 percent of the members of the voting stations who were selected did not show up on election day. Therefore, as is usual in such cases, the first citizens who came to vote had to install the voting stations.

He said: "The null votes are not that many; what happened is that electoral records were annulled. You have to see the difference. The voting stations were installed by citizens who had not been trained like the ones chosen, who had indeed received instructions."

Munoz added that a large number of these citizens, who by chance had to become presidents and members of the voting stations, made mistakes in filling out the electoral records.

Munoz said: "Many citizens made the mistake of adding the votes for congressmen with the votes for president. We cannot discriminate between them, and that is why the electoral records were nullified."

He added: "As the electoral records were wrongly filled out, the annulment includes all the people who voted in the voting station."

As an example, he noted that null votes in the electoral records that were correctly filled out were not more than

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seven or eight per document. He said: "More information would be needed to make a direct study why such mistakes was made."

There were 2,988,897 votes for congressmen annulled in the 9 April general elections, a figure never before registered in previous elections.

During the 1990 elections, the votes for deputies had the highest percentage of null votes, when 917,992 (13.5 percent) of the ballots had mistakes.

During the 1989 and 1983 municipal elections, the null votes represented 15.4 and 11.1 percent of the total votes respectively.

During the 1985 general elections the highest percentage of annulled electoral records was among the votes for senators (621,035 votes or 8.6 percent).

Also, during the 1980 elections to chose a new civilian government after 12 years of a military regime, the annulled votes amounted to 737,947, which represented 14.5 percent of the voters.

Editorial Urges Election Board To Clarify Null Votes

PY0205141095 Lima EL COMERCIO in Spanish 20 Apr 95 p A2

[Editorial: "Appropriate Statement Needed"]

[FBIS Translated Text] Almost a week after spokesmen from political parties and opposition groups denounced the obvious mistakes in the computation of votes for congressmen, the people are still waiting for a statement about what happened, and its eventual consequences with regard to the official results and the distribution of congressional seats.

The denunciation is a result of the large differences in the vote figures of some of the voting records for electing congressmen.

It seems indisputable that the differences are a result of mistakes made by the members of the voting stations when adding up the votes for congressmen. The mistakes are somehow understandable due to the complicated form of the ballots and the difficulty in voting for congressmen, which confused some of the less well informed electors and the poorly trained members of the voting stations, who in many cases were randomly chosen replacements.

In the majority of the voting records the total votes for congressmen represent a much higher figure than those for the presidency in the same voting record.

According to current legislation, the votes for congressmen must be annulled, but the votes for president are not affected by the mistakes made.

If the figures or percentages had been small it would not have been a major problem, and could have been solved by implementing the regulations. Unfortunately, the several thousand nullified voting records and the over 1 million null votes represent reason for real concern. Because in addition to casting a shadow over the elections concerning the votes for congressmen, it has also created some doubts and questions.

In fact, after going back and forth the National Election Board, which is the highest authority on this issue, has not yet come out with a final statement.

In the meantime, the activities of the board members seem to be moving in the direction of verifications of a technical nature, such as that concerning the authenticity of the "software" in the provinces. This is no doubt important, but does not calm down the concern created by the annulment of votes wrongly counted.

Of course, one of the main aspects of this concern has to do with the final makeup of the next Congress, which is still impossible to determine. The possibility of changes in the proportion of its composition cannot be discarded, either.

For example, when the lists of certain provinces are eliminated, in which a group or party received either a low or a high percentage of votes, it is obvious that in either case the proportion may change with regard to the new total of votes.

This is why it is imperative that the JNE provide appropriate explanations, and especially that it provide the results and the composition of the new Congress in order to calm down a very understandable concern among the people.

'Pending Doubts' Seen in Congressional Election Results

PY0205215995 Lima EL PERUANO in Spanish 24 Apr 95 p A2

[Editorial: "The Congressional Elections and Some Unsolved Matters"]

[FBIS Translated Text] Two weeks have elapsed since the general elections took place and only now has the vote count for legislators been completed. Thus, we now have what can be considered the definite distribution of seats in Congress.

Obviously, and despite the repeated announcements and offers, the delay has been excessive and kept the candidates in suspense, no matter how small their expectations may have been, and the citizenry in a state of tension. In addition to this delay, a few minor incidents have tarnished the electoral process.

We are, basically, referring to the irregularities that appeared in the total figures of many vote tally proceeding records and, in particular, to the discovery of some forged vote tally proceeding records in some provincial cities.

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As for the records that showed differences between the number of constituents and the total number of votes counted, the National Election Board [JNE] showed a somewhat erratic attitude but ended up respecting, as it should have, the regulations established before the elections, although it meant annulling a significant number of votes. This annulling of votes pertained exclusively to the election of congressmen, because it should be recalled that neither this nor other incidents affect in any way the results of the presidential election.

Since the results of thousands of vote tally proceeding records showed mistakes, the number of annulled votes surpasses 1.2 million, an undoubtedly impressive figure. This is aggravated if we add the number of invalid votes, defective votes, blank votes, and the large percentage of citizens who apparently did not vote, giving a negative panorama that makes the Congress to be installed on 28 July very weak in terms of being representative. This, undoubtedly, is not very convenient, but cannot be ignored.

We have previously commented on the possible causes of the mistakes made by the vote counting board members, the authorities, and, above all, the constituents in the vote tally proceeding records. These mistakes prompted the disquieting decision to annul votes, no matter how legitimate they may have been.

We must also point out that the issuance of the voter identity cards, the confusion caused with regard to the purpose of the optional vote, and the lack of a broader and more opportune campaign to educate the people on the elections contributed to this problem. We wish to point out that these mistakes must be taken into account so that they can be corrected vis-a-vis future electoral processes. In addition, there are obviously other aspects, such as the single electoral district, that must be reviewed.

More serious still are the forged vote tally proceeding records found in Huanuco, Juliaca, and Cajamarca. Although those responsible in Huanuco have been identified and arrested, investigations must continue to clarify the case with convincing arguments.

It should be pointed out—without trying to reach hasty conclusions—that the forged records seemingly favored the candidates of the governing Change 90-New Majority, and that, as soon as the charges were made, contradictions surfaced between the circumstances and figures of the original findings and the versions that appeared later on.

A typical example is what happened with the Huanuco records (that, moreover, have the flagrant record of the 1992 elections), in which the intervention of the Attorney General's office only contributed to confusing rather than clarifying matters.

Neither can we avoid mentioning the delaying on the part of the Otepsa enterprise—whose selection was highly questioned at the time—which tried to justify the delay on the basis of alleged difficulty in handling the optional vote. This seems quite unlikely in an era of computers and electronic systems that work perfectly well in supervising elections and vote counts throughout the world.

At any rate, although it is comforting to know that the vote count, which kept the people in suspense, has been completed, it is hoped that all the pending doubts will be fully and definitely clarified. This is necessary in order to recover the openness of the electoral process, which, precisely because of its background and records, should not have been questioned at all.

Possible Alliances With Independent Legislators Ruled Out

PY0205223195 Lima EXPRESO in Spanish 25 Apr 95 p A4

[FBIS Translated Text] Ruling party legislator Martha Chavez Cossio yesterday ruled out the possibility that the Change 90-New Majority [C90-NM] will establish alliances with representatives of other independent groups in the next Congress.

Although we are still three months from the installation of the new legislative branch, Chavez, who obtained the largest number of congressional votes in the recent general elections, outlined some guidelines for the 1995-2000 period, "when we expect to pass even more laws."

The C90-NM has an absolute majority in the Congress that will be installed in July 1995. Chavez said the ruling alliance "does not need to call people to be under our label." She added: "Anyone who wants to join our efforts may do so but they will not be called. Change-90 has independent people among its members, and I believe other representatives, who are also independent, can work from their own benches." She took the opportunity in Congress to thank the people for supporting her candidacy, in which she obtained 488,606 votes.

She said: "I thank the Peruvian people for having understood the importance for the executive branch of having a legislative branch to support its work, and I also thank them for having re-elected President Fujimori, because he guarantees the continuation of the reconstruction process without mistakes."

She highlighted the presence of 13 women among the 120 legislators as of 28 July. Among them she mentioned MIA [Independent Agrarian Movement] representative Susy Diaz, saying: "I hope to have the opportunity of sharing ideas with her. I will transmit my ideas to her, and I hope she will assimilate them."

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